

**BY ORDER OF THE COMMANDER
UNITED STATES AIR FORCES IN
EUROPE (USAFE)**

**UNITED STATES AIR FORCES IN EUROPE
INSTRUCTION 32-1016**

15 APRIL 2011

Civil Engineering



**DESIGN AND CONSTRUCTION
MANAGEMENT IN THE FEDERAL
REPUBLIC OF GERMANY (ABG-75
PROCESSES)**

COMPLIANCE WITH THIS PUBLICATION IS MANDATORY

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RELEASABILITY: There are no releasability restrictions on this publication.

OPR: HQ USAFE/A7PC

Certified by: HQ USAFE/A7D
(Col Robert E. Moriarty)

Supersedes: USAFEI32-1006, 24
February 2000

Pages: 76

This instruction implements Air Force Policy Directive (AFPD) 32-10, *Installations and Facilities*. This instruction applies to USAFE installations and all US Geographically Separate Units (GSU), Air Force Reserve Command (AFRC) and Air National Guard (ANG) Units within the Federal Republic of Germany (FRG) and supplements Air Force Instruction (AFI) 32-1023, *Design and Construction Standards and Execution of Facility Construction Projects*. It provides general guidance and instruction for the development and execution of construction works for approved USAF construction projects executed under the provisions of the Administrative Agreement *Auftragsbauten Grundsätze 1975-US* (ABG-75) between the Federal Ministry of Transportation, Construction and Urban Development (FMOC) and the US Forces on the implementation of construction works of and for the US Forces stationed in the FRG in accordance with Article 49 of the Supplementary Agreement (SA) to North Atlantic Treaty Organization (NATO) Status of Forces Agreement (SOFA), signed by as amended effective 3 Nov 2003. Send comments, questions and suggested improvements to this publication on AF Form 847, *Recommendation for Change of Publication*, through channels to USAFE A7 Programs Division (HQ USAFE/A7P), Unit 3050 Box 10, APO AE 09094-5010, or email usafe.abg75@ramstein.af.mil. Ensure that all records created as a result of processes prescribed in this publication are maintained in accordance with Air Force Manual (AFMAN)

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SUMMARY OF CHANGES

This instruction has been completely revised and must be reviewed in its entirety. This instruction now provides a detailed description of USAFE policy, responsibilities and procedures regarding project planning, development, design, execution and project close-out of USAFE construction in Germany.

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Chapter 1

OVERVIEW

1.1. Purpose. This Instruction addresses design and management of USAFE construction projects in the FRG according to procedures established in the ABG-75 administrative agreement. Specifically it sets USAFE policy, responsibilities and procedures regarding project planning, development, design, execution and project close-out of USAFE construction in the FRG. As issues emerge and various agreements, instructions, rules and regulations regarding construction in Germany change, Base Civil Engineers (BCE) shall consult with HQ USAFE/A7P and HQ USAFE/A7K on a regular basis.

1.2. Applicability. The procedures and responsibilities described in this instruction apply to all USAFE elements with planning, programming, design, construction and project closeout responsibility within the FRG. They also apply to other associated U.S. Forces elements tenant on USAFE installations in Germany to the extent their missions may affect in any manner the construction responsibilities of USAFE or an element of USAFE. Due to the Air Force MILCON Execution Transformation in late 2007, relationships and responsibilities have changed between HQ USAFE, HQ Air Force Center for Engineering and the Environment (AFCEE) and BCEs. Reference [Table 1.1](#) and [paragraph 3.4](#) of this instruction for further details regarding these changes. The design, construction and project closeout procedures described in this instruction are written to apply specifically to BCEs for construction projects under their direct control as defined in [paragraph 3.4.4.1](#) of this instruction. AFCEE will publish guidance to their personnel to fulfill their Design Manager/Construction Manager (DM/CM) role as USAFE's execution agent for the Military Construction (MILCON) program as described in the *Program Management Plan for the Management of the Air Force Capital Construction Program*, dated 15 November 2007.

Table 1.1. Matrix Describing the Relationships and Responsibilities between USAFE, AFCEE and BCEs regarding Air Force Capital Construction Programs

	Plan	Program	Design	Construct	Closeout
BCE	P	S	S	S	S
HQ USAFE	S	P	C	C	
AFCEE		S	P	P	P
HQ AF		S	S	S	
Note: P=Primary Responsibility, S=Supporting Responsibility and C=Consulting Responsibility					

1.3. Authorities. Specific U.S. Public Law and Air Force Instructions governing BCE responsibilities in managing design and construction of USAFE facilities in the Federal Republic of Germany are cited in this Instruction. In accordance with HQ United States European

Command (EUCOM) Directive (ED) 5-13, *International Agreements; Authority and Responsibilities*, the United States Army is designated as the lead for ABG-75 policy negotiations for U.S. Forces in Germany.

Chapter 2

STATUTORY AUTHORITIES FOR MILITARY CONSTRUCTION IN THE FRG

2.1. NATO Status of Forces Agreement. The ABG-75 is a bilateral administrative agreement between the United States Forces and the FRG applicable to all U.S. Forces construction in Germany. It is based on and implements Article 49 NATO SA, which establishes general authorities and conditions for executing construction in the FRG by Sending State Forces (SSF) and defines procedures for coordination of SSF construction programs, awarding construction projects, compensation fees and reimbursements to FRG and acceptance and turnover of completed works. ABG-75 was signed on behalf of the United States by the Deputy Commanding General, United States Army Europe (USAREUR), on 29 Sep 82 and became effective on 1 Oct 82 for all projects started after that date. It was amended effective 3 November 2003. Protocol of Signature (PoS) to ABG-75, an exchange of covering letters, and ABG-75 Implementing Instructions (II), further define and delineate German and U.S. rights, responsibilities and procedures under this agreement.

Chapter 3

ABG-75 PROGRAM MANAGEMENT

3.1. ABG-75 Description.

3.1.1. **Structure of the ABG-75.** ABG-75 consists of several interdependent documents, all having a bearing on conduct of the U.S. Forces construction works. Air Force Civil Engineers shall become familiar with their contents and consult with HQ USAFE/A7P to ensure they possess the latest versions.

3.1.1.1. **ABG-75.** The main document that governs how construction works are accomplished in Germany for and by the U.S. Forces and forms the basis for procuring engineering and construction services in Germany. Article 1.1 of ABG-75 states, “Construction projects (projet de construction/Bauvorhaben) are items of proposed construction works.” Article 1.2 of ABG-75 states, “Construction works (travaux/Baumaßnahmen) are new construction, alterations and extensions, external works, the necessary development measures, and repair and maintenance.” Article 1.1 of the revised Implementing Instructions to ABG-75 dated 11 May 2009 states, “ABG 1975 settles the performance of the construction projects of the U.S. Forces defined in Article 1 which are financed with U.S. national funds. In individual cases, at the option of the U.S. Forces, remediation of contaminated areas, soil and groundwater and removal of unexploded ordnance may be carried out using the ABG-75 procedures, if required to complete a construction project.” ABG-75 may not be used to execute studies, services, etc. that are not tied to a specific construction project. These include but are not limited to sampling, analysis and monitoring of potable water, stormwater, wastewater, air emissions, hazardous waste facility operations, general energy studies, surveys and soil/groundwater cleanup not tied to a specific construction project.

3.1.1.1.1. **Table of Contents.** ABG-75 is written with four distinct parts:

3.1.1.1.1.1. Part I contains general definitions, authorities and program coordination requirements. (Articles 1-3).

3.1.1.1.1.2. Part II describes execution of construction works by the German authorities, herein referred to as the Indirect procedure. (Articles 4-26).

3.1.1.1.1.3. Part III describes execution of construction works by the U.S. Forces with their own employed personnel or direct contracted construction, herein referred to as the Direct procedure. (Articles 27-38).

3.1.1.1.1.4. Part IV contains transitional concluding provisions, e.g., regarding establishing implementing instructions and amendments, resolving disputes and stating both the German and English language text of the agreement being equally effective. (Articles 39 - 41).

3.1.1.2. **Protocol of Signature to ABG-75.** Provides comments which expand or clarify the articles set forth in the basic agreement and its supplements.

3.1.1.3. **ABG-75 Implementing Instructions.** The bilateral agreement which further defines and delineates German and U.S. rights, responsibilities and procedures under ABG-75.

3.2. German Construction Authority (GCA) Definitions. This is a general term used to refer to the various entities at the state level in the German government responsible for U.S. Forces construction on behalf of the FRG. The U.S. Forces interact with two main GCA in the State of Rheinland-Pfalz.

3.2.1. **Bauamt (Building Authority).** This is term for the German state level authority responsible for actual construction execution, i.e., the German government's Design Agent/Construction Agent (DA/CA). For USAFE installations and GSUs in the State of Rheinland-Pfalz, this refers specifically to the Landesbetrieb Liegenschafts- und Baubetreuung (LBB), in English, the State Real Estate and Building Support Agency. As both main USAFE installations are located within the state of Rheinland-Pflaz, Bauamt will be used to refer to the LBB.

3.2.2. **Fachaufsicht führende Ebene (FfE) / Agency Responsible for Technical Oversight.** This is the term for the state level authority responsible for the technical and functional oversight of the construction execution. For USAFE installations and GSUs in the State of Rheinland-Pfalz, this refers specifically to the Oberfinanzdirektion/Geschäftsbereich Bundesbau (OFD/GBB), in English the Regional Finance Office's Federal Construction Division. As both main USAFE installations are located within Rheinland-Pflaz, the FfE will be used to refer to the GBB. Their roles and responsibilities are described throughout this instruction.

3.2.3. **German Federal Ministries.** At the Federal level, the two main German Federal Ministries are the Ministry of Transportation, Construction, and Urban Development (FMOC) who is the highest ABG-75 administrative authority and the Ministry of Defense (FMOD) who is the highest technical authority for U.S. projects in Germany. Their roles and responsibilities are described throughout this instruction.

3.3. Limitations on U.S. Authority. Indirect ABG-75 contracting officers have complete contractual authority when executing construction under ABG-75's Direct procedure described in [Chapter 4](#) of this instruction. U.S. Forces construction offices and contracting have distinct, but very limited, authorities in management of projects executed using the Indirect procedure described in [Chapters 5-8](#) of this instruction. Indirect ABG-75 contracting officers may not, for instance, instruct or otherwise order or demand actions from Architect-Engineer (A-E) or contractor personnel employed by the Bauamt on U.S. Forces projects. Any Indirect AGB-75 contracting officer coordination with firms or personnel under contract to the Bauamt must be conducted through the Bauamt.

3.4. Responsibilities. Actions initiating design and/or construction under ABG-75, including technical changes and fund expedition, can only be performed by ABG-75 Indirect and Direct contracting officers. Their responsibilities are described throughout [Chapters 5-8](#).

3.4.1. **HQ USAFE/A7P (MAJCOM Programs Division):**

3.4.1.1. Establishes USAFE policy and procedures to ensure compliance with the ABG-75 administrative agreement.

3.4.1.2. Acts as lead for policy, procedural guidance and training regarding USAFE customers and other associated U.S. Forces elements tenant on USAFE installations, compliance with ABG-75 administrative agreement, Protocol of Signature (PoS) and ABG-75 implementing instructions, to include coordination and submittal of high value (greater than €150,000) ABG Form 2-*Letter of Intent for Direct Procedure* documents to the FfE.

3.4.1.3. Assembles and transmits annual ABG Form 1-*Program of Construction Projects for the U.S. Forces* submission to FRG ministries. This normally occurs between November and February of each fiscal year.

3.4.1.4. Acts as USAFE's central point of contact for host nation inquiries, issues and questions concerning ABG-75 procedures.

3.4.1.5. Interacts with State and Federal level German Government offices on all USAFE construction related issues.

3.4.1.6. Tracks and ensures proper training of individuals involved with ABG-75.

3.4.1.7. Represents the Air Force on ABG-75 related policy issues.

3.4.2. HQ USAFE/A7K (MAJCOM Contracting):

3.4.2.1. Establishes the USAFE ABG-75 contracting officer duties and responsibilities.

3.4.2.2. As appointment authority of all USAFE ABG-75 warrants, trains and appoints warranted contracting officers with specific ABG-75 Indirect procedure responsibilities herein referred to as *Indirect ABG-75 contracting officers*.

3.4.2.3. Reviews and consults on annual USAFE ABG Form 1 submittal.

3.4.2.4. Consults and coordinates with HQ USAFE/A7P regarding policy, procedural guidance and training regarding USAFE compliance with ABG-75 administrative agreement, Protocol of Signature (PoS) and ABG-75's Implementing Instructions.

3.4.3. HQ AFCEE/CMT (Atlantic Region Management Office):

3.4.3.1. Acts as Primary Design Manager/Construction Manager (DM/CM) for ordering and management control of design, construction and project closeout for USAFE's Military Construction (MILCON) and Military Family Housing (MFH) MILCON programs.

3.4.3.2. As appointment authority of all AFCEE ABG-75 warrants, trains and appoints warranted contracting officers with specific ABG-75 Indirect procedure responsibilities.

3.4.3.3. Provides information to HQ USAFE/A7P for ABG Form 1 preparation, including project information and planned acquisition method (direct or indirect) for MILCON and other projects for which AFCEE is the DM/CM.

3.4.3.4. Funds, resource management and financial closeout of all USAFE capital construction programs and projects.

3.4.3.5. Provides regular program status reports and briefings to USAFE leadership.

3.4.3.6. Provides technical engineering and construction consultation to USAFE.

3.4.3.7. Assists USAFE installations on Requirements Document and DD Form 1391-*Military Construction Project Data* development.

3.4.3.8. Participates in Planning Document and Customer Concept Document (CCD) preparations to facilitate transition from planning and programming to design management.

3.4.3.9. Ensures designs are consistent with original scope and mission requirements and USAFE and installation architectural compatibility.

3.4.4. Base Civil Engineers (BCE):

3.4.4.1. Serves as Primary Design Manager/Construction Manager (DM/CM) for ordering and management control of maintenance and repair projects and O&M funded construction (includes alterations and additions). This applies to Unspecified Minor Military Construction (P-341), NAF, DODDS-E, MFH funded projects and projects from other sources.

3.4.4.2. Serves as signature authority for the United States Government limited to ABG-75 actions up to and including foreign currency fluctuation not to exceed \$100,000 for the purpose of validating funding availability and obligating the United States Government in accordance with the provisions of ABG-75 after training, appointment and warranting as an Indirect ABG-75 contracting officer.

3.4.4.3. Ensures that U.S interests are met during the design and construction process. Ensures project compliance with all applicable U.S. and host nation engineering standards. Reference [paragraph 5.2](#) of this instruction.

3.4.4.4. Accomplishes all appropriate ABG-75 planning documents to support design and construction of projects at each base and GSU under their responsibility.

3.4.4.5. Reviews assigned projects for technical adequacy, availability and applicability of funds, functional and maintainability and for compliance with established USAFE policies and criteria.

3.4.4.6. Ensures responsible Bauamts have all the necessary documents for projects under their responsibilities.

3.4.4.7. Monitors, prepares and tracks back up documentation for change order documents.

3.4.4.8. Accepts completed construction work and turnover of facilities, via ABG Form 7- *Joint Minutes - Turnover of Construction Work* from the Bauamt.

3.4.4.9. Initiates local coordination procedures with and provides necessary information to the Bauamt for all projects executed using the Direct procedure where construction permits, licenses or other forms of official approval may be required under German law.

3.4.4.10. Initiates joint final inspections of projects with the Bauamt completed using the Direct procedure.

3.4.4.11. For MAJCOM projects, obtains HQ USAFE/A7P project approval and funding actions in support of all projects.

3.4.4.12. Under the Indirect procedure prescribed in ABG-75, has approval and signature authority for all ABG Form 3-*Request/Approval/Award Document* (also known as the *Intergovernmental Construction Order*), ABG Form 4-*Tender Acceptance Form*, ABG Form 5-*Change Order Document*, ABG Form 5A-*U.S. Forces Change Request* and ABG Form 6-*Order Document for Term Construction* **for amounts up to and including foreign currency fluctuations not to exceed \$100,000** after issuance of an ABG-75 Warrant (Reference [paragraphs 5.1.1](#) and [5.1.2](#)).

3.4.4.13. Under the Indirect procedure prescribed in ABG-75, has review and signature authority for all ABG Form 8-*Construction Costs* and **Partial** ABG Form 9-*Administrative Fee* by individuals trained and appointed as Departmental Accountable Officials (DAO). **NOTE:** Only an Indirect ABG-75 contracting officer is authorized to sign the **Final** ABG Form 9-*Administrative Fee*, serving as the formal project closeout with the Bauamt (Reference [paragraphs 5.1.1](#) and [5.1.2](#)).

3.4.4.14. Appoints an engineering representative to function as the installation technical and policy representative in executing the ABG-75 process and ensuring conditions set by GCA when concurring with projects executed under the Direct procedure are met.

3.4.4.15. Refers to **Attachment 1, HQ USAFE/A7K ABG-75 CONTRACTING OFFICER PROCEDURES GUIDE** for further detailed responsibilities.

3.4.5. **Base Contracting (CONS):**

3.4.5.1. Financially obligates the United States Government for construction services using both Direct and Indirect procedures prescribed in ABG-75.

3.4.5.2. Under the Indirect procedure in close coordination with base and HQ USAFE/A7P civil engineer personnel, has approval and signature authority for all ABG Form 3- *Request/Approval/Award Document*, ABG Form 4-*Tender Acceptance Form*, ABG Form 5-*Change Order Document*, ABG Form 5A-*U.S. Forces Change Request*, ABG Form 6-*Order Document for Term Construction*, and **Final** ABG Form 9-*Administrative Fee* **for amounts exceeding \$100,000** (Reference [paragraph 5.1.1](#) and [5.1.2](#)).

3.4.5.3. Prior to approval and signature of ABG documents, ensures a bona fide need exists as a result from GCA performance and verifies certified funds, if required, are available for the desired action.

3.4.5.4. Ensures compliance with the terms of the ABG-75 and safeguards the interests of the United States in its relationships with the German government.

3.4.5.5. Refers to **Attachment 1, HQ USAFE/A7K ABG-75 CONTRACTING OFFICER PROCEDURES GUIDE** for further detailed responsibilities if warranted as an Indirect ABG-75 contracting officer.

3.4.6. **Base Financial Management Office (FMO):**

3.4.6.1. Promptly pays all invoices after verification and signature by base and/or MAJCOM engineers appointed as DAOs.

3.4.6.2. Certifies funds availability in support of all base projects and enters ABG-75 accounting transactions on AF Form 9, *Request for Purchase*.

3.5. Procedures for Annual Program Coordination. Article 3 of ABG-75 requires the U.S. Air Force to coordinate construction projects with the German government. This is accomplished annually by the U.S. Air Force through the submittal of an ABG Form 1-*Program of Construction Projects for the U.S. Forces*. This allows the Bauamt to structure their organization's work load to sufficiently support USAFE construction programs.

3.5.1. Process. HQ USAFE/A7P will send installations an annual call with specific instructions for their expected construction program projected for the next two fiscal years. The BCE shall ensure they list each new construction project costing more than €150,000 and the method of execution, either Direct or Indirect. Regardless of cost, the BCE shall ensure they list each project intended for execution using the Indirect procedure. HQ USAFE/A7P shall review the projects, compile a list and submit the completed ABG Form 1 to the FMOC and the FMOD no later than 1 February of each year.

3.5.2. Distribution. The ABG Form 1 lists the required distribution.

3.5.3. Project Requirements. The BCE initiates actions to program and obtain proper project approvals from the Bauamt. The BCE must receive signature approval on appropriate documents (DD Form 1391, AF Form 332, *Base Civil Engineer Work Request*, etc.), input project into the Automated Civil Engineer System-Project Manager module (ACES-PM) and obtain sufficient funds or funds assurance before initiating ABG-75 actions. These conditions apply for both Direct and Indirect procedure projects.

3.5.4. GCA Biannual Walkthroughs. The FfE is required to conduct and document formal installation walkthroughs biannually. The BCEs shall notify HQ USAFE/A7P when a formal walkthrough is requested by the FfE. In particular, the following items will be discussed:

3.5.4.1. Implementation of the construction program according to the latest ABG Form 1.

3.5.4.2. Clarification as to whether additional projects have been projected, planned or initiated, or whether a previously projected project has been cancelled. A written note will be included stating whether the required ABG Form 2 or 3 document has been submitted and that the provisions of German law are being adhered to.

3.6. Selecting Direct/Indirect Procedure. ABG-75 provides for two major methods or procedures to carry out U.S. Forces construction works. These methods are termed "Direct" (Reference [Chapter 4](#)) and "Indirect" (Reference [Chapters 5-8](#)). The BCE decides if the project should be accomplished by the Direct or by the Indirect procedure.

3.6.1. Direct Procedure. Under the Direct procedure, in consultation with the German authorities, the U.S. Forces carry out design, bid tender and award, construction supervision and inspection with its own forces or through the direct award of contracts by an Air Force or Army Contracting Agency, reference ABG-75, Article 1.6. The project may be also accomplished by troop labor (RED HORSE, Prime BEEF, Construction and Training Squadron, U.S. Army Corps of Engineers, etc.). Reference [Chapter 4](#) of this instruction listing the exceptions and procedures required to execute a project through the Direct procedure. [Attachment 4](#) lists "Pros and Cons" to aid the BCE in deciding which procedure to select for specific projects.

3.6.2. Indirect Procedure. Under the provisions of the NATO SOFA SA and ABG-75, major new construction, alterations and extensions or construction intended to change the function of a facility exceeding €375,000 are executed by the GCA under German laws and federal administrative regulations in their name and under their responsibility, unless an exception is granted (Reference [paragraph 4.1](#)). At each step in planning, design, change or actions that increase cost above agreed amount, method of tendering, contract award and acceptance are subject to prior U.S. consent. USAFE engineers shall work closely with the GCA to ensure U.S. interests are met and protected, with respect to cost, schedule and quality.

3.7. Design and Construction Distinction. The ABG-75 classification of Direct and Indirect procedure refers only to construction execution. The agreement does not prevent the U.S. Forces from preparing project designs with their own labor or by directly awarding an A-E contract for any project with actual construction execution carried out by the Bauamt under the Indirect procedure. This method of mixed project execution, referred to as “Direct/Indirect” representing “Direct design/Indirect construction” is rare and must be approved by the USAFE Civil Engineer before design initiation. The current USAFE policy is to use the Indirect procedure for both the design and construction of a project. Although this “Direct/Indirect” method provides greater control, the U.S. government must pay the German government compensation fees (to include design cost) as if it were executed under the Indirect procedure.

3.8. Public Coordination, Permits, Licenses and Permissions. The GCA is solely responsible for all coordination and permissions required under German public law for U.S. Forces’ Direct or Indirect procedure construction projects, from design through construction at no extra cost (Reference Article 53A, NATO SOFA SA and Articles 3.3.6 and 30.2 of ABG-75’s Implementing Instructions).

3.8.1. Indirect Procedure. For the Indirect procedure, the GCA, through the Bauamt, has the responsibility to obtain any necessary construction permits, licenses or other forms of official approval that may be required under German public law to include any related operational permits (water rights approval, etc.) and make the necessary notifications to the appropriate Host Nation agencies on behalf of USAFE at no extra cost.

3.8.2. Direct Procedure. For the Direct Procedure, the GCA, through the Bauamt, is also responsible for obtaining any necessary construction permits, licenses or other forms of official approval that may be required under German public law to include any related operational permits (water rights approval, etc.) and make the necessary notifications to the appropriate Host Nation agencies on behalf of USAFE at no extra cost. GCA concurrence with an ABG Form 2 does not relieve the BCE of responsibility to initiate permitting, coordination and notification procedures and ensure that conditions of any GCA concurrence are met. The BCE shall initiate coordination regarding permitting, coordination and notification procedures with the Bauamt in the early planning phase to determine the necessity for a construction permit, license or other form of official permission. The BCE ensures Direct procedure projects requiring an ABG Form 2 are coordinated in accordance with ABG-75 Article 30. As required by Article 30.3, the BCE shall establish a binding coordination and review schedule with the Bauamt before release of plans and specifications for review.

3.8.2.1. **Demolition.** The BCE shall ensure ABG Form 2s are prepared and submitted to HQ USAFE/A7PC requesting Bauamt assistance in obtaining permissions and making notifications on behalf of the Air Force according to Article 30.1 of ABG-75 prior to demolishing any facility.

Chapter 4

DIRECT PROCEDURE, OVERVIEW, PROJECT INITIATION, DESIGN AND CONSTRUCTION

4.1. General. The U.S. Forces are authorized to accomplish the following types of projects using their own resources and contracts through the Direct procedure IAW Article 27 of ABG-75:

4.1.1. Repair and Maintenance projects, regardless of value, provided the external configuration of the facility does not change or the purpose of an entire facility does not change (e.g. conversion). Note that the English version of ABG-75 allows renovation provided there is no change to configuration (exterior dimensions) or function. In practical terms, USAFE policy is to treat “change in configuration” as a change in building footprint. USAFE policy is to also treat “changes in use” when the “purpose of a facility” is changed to satisfy new needs. The BCE shall consult with HQ USAFE/A7P regarding classifying renovations as repair and maintenance because a portion of the project may be considered new construction.

4.1.2. Very minor construction projects not exceeding €150,000.

4.1.3. Construction projects carried out by military construction units for training purposes under supervision of the Forces (troop labor).

4.1.3. Construction, alteration and extension projects (construction projects) that, regardless of value, require special security measures, or involve the integration or installation of equipment such as special communication or weapon systems of the Forces.

4.1.4. Urgent Unspecified Minor Military Construction projects up to \$1,500,000. (\$3,000,000 for Life/Health/Safety).

4.1.5. Minor construction projects greater than €150,000 but less than €375,000, if agreed to by the FfE on an ABG Form 2 request document.

4.1.6. Major new construction projects exceeding €375,000 if an exception is granted by the appropriate German Federal Ministry (FMOC or FMOD) on an ABG Form 2 request document.

4.2. Submittal of ABG Form 2 Packages. ABG Form 2s are used in two ways: first, for requesting Bauamt assistance in coordinating and procuring permissions required under German public law for projects that fall under [4.1.1](#) and [4.1.2](#); second, for requesting GCA concurrence with U.S. proposals for the use of the Direct procedure for projects under [4.1.3](#) – [4.1.6](#). The BCE is responsible for coordinating ABG Form 2 packages through HQ USAFE/A7P, who will sign and forward the final ABG Form 2 package to the FfE. German authorities shall advise if there are objections to the scheduled execution of the projects. Construction projects approved for the Direct procedure must be coordinated with the Bauamt (reference Sec [3.8.2](#) of this instruction). Initiating local coordination procedures with the Bauamt is the BCE’s responsibility. Should the Current Working Estimate (CWE) exceed the notified/approved ABG Form 2 during the design process, the BCE shall notify HQ USAFE/A7PC.

The following submittal requirements apply to new construction, alterations and extension projects:

4.2.1. For new construction, alteration and extensions up to and including €375,000, the BCE submits the ABG Form 2 and attachments described below in [paragraph 4.3](#), electronically to HQ USAFE/A7P (usafe.abg75@ramstein.af.mil) for review, signature and submittal to the FfE.

4.2.2. For major new construction, alterations and extension projects greater than €375,000, the BCE submits the ABG Form 2 and attachments described below in [paragraph 4.3](#), electronically to HQ USAFE/A7P (usafe.abg75@ramstein.af.mil) for review, signature and submittal to the appropriate FRG ministry as described below:

4.2.2.1. For mission related projects (e.g. operational, training, security, vehicle or equipment maintenance, supply, medical, aircraft hangars, etc.), HQ USAFE/A7P submits an ABG Form 2 to the FMOD, after prior consultation with the FfE, for formal acceptance.

4.2.2.2. For projects related to civil or recreational use (e.g., general purpose admin, utilities and grounds, Services, family housing), HQ USAFE/A7P submits an ABG Form 2 to the FMOC, after prior consultation with the FfE, for formal acceptance.

4.2.2.3. Within 30 calendar days of receiving the ABG Form 2 request, the appropriate FRG ministry reviews and concurs/nonconcurs with the Direct procedure and forwards their written reply to the HQ USAFE/A7P. Copies of the countersigned ABG Form 2 are distributed by HQ USAFE/A7PC to the FfE. HQ USAFE/A7P forwards the final ABG Form 2 package to the BCE. The BCE shall ensure information requests and conditions for approvals are met. If concurrence is received, the GCA will indicate whether the detailed coordination procedure would apply. Procedures for the detailed coordination procedure are described in ABG-75, Articles 29-38.

4.3. ABG Form 2 Package Requirements. ABG Form 2 packages submitted by the BCE to HQ USAFE/A7P for projects to be accomplished under the Direct procedure must contain the following items as a minimum:

4.3.1. **Project Approval Forms.** Approved DD Form 1391 or AF Form 332.

4.3.2. **Description of Work in German and English.** This should be as detailed as the Statement of Work (SOW) normally submitted with ABG Form 3 for Indirect projects, addressing the type, classification and method of construction contemplated. The purpose is to provide the various GCA, namely the FfE, with an accurate summary of the proposed work. For major renovations, it is important to break out costs for the portion of work that may be considered new construction.

4.3.3. **Cost Estimate.** Cost estimates must be provided in both German and English with the German portion in Euros and must be as detailed as the description of work. Construction costs shown on the ABG Form 2 should include services (e.g., troop labor) and supplies to be provided by the U.S. Forces.

4.3.4. **Site Plans.** Include a current and approved general site plan at a scale of 1 inch:1,000 feet (2.54 centimeters:305 meters) to 1 inch:2,000 feet (2.54 centimeters:610 meters) and a

detailed site plan at a scale of 1 inch:200 feet (2.54 centimeters:61 meters) to 1 inch:500 feet (2.54 meters:152 meters).

4.3.5. Environmental Impact/Compatibility Statement. Include a statement that safety, tree cutting, disposal of existing facilities and overall environmental impacts have been considered in accordance with the German *Gesetz über die Umweltverträglichkeitsprüfung* (UVP), which translates to “Law on Environmental Impact Assessment” and is similar to the USAF’s Environmental Impact Analysis Process (EIAP).

4.3.6. Request the Bauamt to submit the necessary applications and undertake the relevant administrative and legal procedures on behalf of the U.S. as stipulated in Article 53A of the NATO SOFA SA.

4.4. Initiating Design and Construction/Public Coordination. During the design and construction phases there are major steps where the Bauamt interacts in order to accomplish public coordination with special German authorities concerned. This only applies in cases where specifically asked for by the GCA when concurring with a US proposal on an ABG Form 2.

4.4.1. Preparation of KVM-Bau Documents. The BCE prepares documents equivalent to the “Kostenvoranmeldung – Bau” (KVM-Bau) consisting of the items below to be submitted to the Bauamt. The KVM-Bau is essentially equivalent to the more familiar CCD normally considered a 15% or pre-concept design. The Charrette or program development is prepared as a subpart of this phase resulting in preliminary floor plans, elevations and functional description for each room. On the basis of these documents, the Bauamt initiates public coordination by consulting with the specialized German authorities concerned and ascertains whether there are any fundamental objections to the project regarding public interests. The Bauamt informs the BCE accordingly and indicates any conditions which should be met in the design. The BCE ensures review comments from the Bauamt are provided to the User for consideration. When it becomes necessary to remove trees in the construction area the BCE provides a written request to the Bauamt. The Bauamt will arrange for tree cutting approval and execution as required to support construction projects on and off base. Article 30.2, ABG-75 requires the KVM-Bau package to the Bauamt include the following:

4.4.1.1. An informal explanatory report (providing roughly the equivalent of a Requirements Document).

4.4.1.2. A rough order of magnitude cost estimate.

4.4.1.3. A general location plan.

4.4.1.4. A building expert’s technical report as to site suitability.

4.4.2. Progress to HU-Bau. After receiving comments on the KVM-Bau from the Bauamt, the BCE is authorized to proceed with the preparation of the Haushaltsunterlage-Bau (HU-Bau). This is the equivalent to an approximately 35% design. During the preparation of the HU-Bau, the BCE may invite the Bauamt to attend design meetings. This may be required to clarify KVM-Bau comments received from the Bauamt. The BCE shall submit the HU-Bau package to the Bauamt for review and additional coordination with competent German authorities to determine whether conditions established in the KVM-Bau are complied with and whether any other conditions should be observed. The HU-Bau submittal to the Bauamt includes six (6) packages of the following documents:

4.4.2.1. The design drawings/plans.

4.4.2.2. A detailed explanatory report.

4.4.2.3. The current cost estimate.

4.4.2.4. The time schedule.

4.4.2.5. The building expert's technical report (engineering design data: e.g., soil test, structural analysis, etc.)

4.4.3. Bauamt Construction Observation. During the execution of the construction project, the responsible Bauamt may examine the construction site to ensure the project is proceeding according to the plans and applicable German regulations, and to ensure the conditions imposed by German authorities are being observed. For this reason the Bauamt will have access to the construction site subject to security considerations. The Bauamt notifies the BCE in writing of any issues no later than five (5) working days after the inspection.

4.4.3.1. The Bauamt is not authorized to direct or in any other way control the work of A-Es or construction contractors under contract to the U.S. Any Bauamt comments regarding the design or execution of projects must be provided to the responsible U.S. contracting officer's representative or the BCE.

4.4.3.2. The Bauamt shall provide any work outside an installation necessary to support any Direct construction project.

4.5. Applicable Technical Criteria. The BCE shall ensure applicable technical regulations of the German government are respected in preparation of the structural analysis, reinforcement plans (i.e., Deutsches Institut für Normung (DIN) which is the German Institute for Standardization 1045 and 1052, etc.), and thermal (DIN 4108) and soundproofing insulation (DIN 4109) documents. The BCE shall provide certification of structural analysis to the German authorities for all designs, to include in-house, troop labor, or A-E and is according to ABG-75, Part III, Articles 30, 31 and 32. Regarding fire protection and Anti-Terrorism/Force Protection (AT/FP), the BCE shall refer and comply with the requirements of the latest Unified Facilities Criteria (UFC) document for *Fire Protection Engineering for Facilities*, UFC 3-600-01 and *DoD Minimum Antiterrorism Standards for Buildings* found at www.wbdg.org. For projects requiring an ABG Form 2, information and proof that U.S. standards are more stringent than those stipulated in German law will be provided by the BCE during the Pre-concept phase (KVM-Bau), but no later than the Concept phase (HU-Bau). Changes to criteria will be provided by the BCE at subsequent coordination phases. For projects not requiring an ABG Form 2, German criteria will be employed to the extent practical in light of requirements to observe German public safety and order. (Reference Articles 4.1.2 and 4.1.3 of ABG-75's Implementing Instructions).

4.6. Payment for Variations in Estimated Quantities. Overruns on Direct Procedure contracts are those quantity variations between 100 and 115 percent of the original estimated item quantities, and underruns are quantity variations between 85 and 100 percent of the original estimated quantities. Overruns on a Direct unit priced project can be approved for payment when all of the following conditions are met:

4.6.1. The work is performed and the overrun is not the result of an unfinalized modification to the contract,

4.6.2. There is a specified unit price item for the work involved, and

4.6.3. Current authorization and funds are not exceeded. When current authorization and funds would be exceeded by the overrun, additional funds necessary to cover the balance shall be obligated by the BCE prior to the performance of the corresponding work. Based on unit price spread sheet data presented with each invoice, the USAF Project Manager (PM) determines if invoiced overruns are offset by underruns in contract items. If quantity overruns are offset, additional funding requirements are unnecessary, and the overrun and underrun quantities can be combined in one modification. If overruns are not offset, the PM shall obtain additional funds for the overruns by preparing and submitting a change request to the appropriate contracting officer. It is not necessary to deobligate funds due to underruns prior to fiscal contract completion. The PM may not make payment for any overrun resulting in a statutory or regulatory violation, or any project limitation stated in the contract. The PM shall exercise proper caution to ensure such overruns do not occur.

4.7. Final Inspection/Turn Over. A joint final inspection shall be conducted upon completion of Direct procedure construction projects. Article 37 of ABG-75 requires joint final inspection of Direct projects by U.S. and Bauamt representatives. The BCE is designated as the primary U.S. representative. Other representatives shall include the User, the contractor, and other BCE staff. At the time of final inspection, an inspection report documented on an ABG Form 7B, *Record of Joint Final Inspection of Construction Work Executed by US-Forces using the Direct Procedure* will be completed jointly by the GCA and the BCE, recording the results of the inspection. The BCE shall countersign the ABG Form 7B and provide copies to all participants. The Bauamt has the right to notify the U.S. within five (5) working days of the final inspection of any defects found during the inspection which it feels are contrary to public safety and order.

4.8. Fees for Direct Procedure Projects. No fees are assessed for Bauamt services under the Direct procedure, even though most Direct projects require design and construction review by the Bauamt. However, if services of other German authorities or agencies are required and agreed to by the BCE, fees will be paid by the BCE if the service is not of the type provided free by the German authorities as discussed in Article 38 of ABG-75. The process for payment of fees follows the same process as defined under the Indirect procedure in [Chapters 5-8](#) of this instruction.

Chapter 5

INDIRECT PROCEDURE, OVERVIEW

5.1. General. The Indirect procedure allows for the planning, execution, supervision and administration of construction by the German authorities on behalf of the U.S. Forces. Paragraph 2 of Article 49 of the NATO SOFA SA, in connection with ABG-75, requires that major U.S. Forces construction projects in the FRG shall be carried out by the German authorities responsible for Federal building in accordance with German legal provisions and administrative regulations in force (Indirect procedure, ABG-75 Articles 4-26). The German government, through the local GCA, awards and administers construction contracts subject to certain rights and conditions of the U.S. Government as prescribed by Paragraph 6 of Article 49, NATO SOFA SA and ABG-75. The Indirect procedure is required primarily for major new construction, extensions and alterations exceeding €375,000 or construction intended to change the function of a facility. Exceptions to this rule are found in Article 27, ABG-75. The work is executed under German laws and administrative regulations and in the German authorities' own name and on their own responsibility. Exceptions may be granted by the appropriate Federal Ministry (FMOC or FMOD) on a case by case basis in accordance with provisions in Article 27 of ABG-75. Each step in planning/design, tendering and acceptance, contract award, and change management, is subject to prior U.S. approval.

5.1.1. Delegation of Authority to Sign ABG Documents

5.1.1.1. In accordance with Protocol of Signature (PoS) to ABG-75, General Item 3, that states "The U.S. Forces will act in contractual matters through U.S. Contracting Officers or other officials designated in writing as the authorized representatives of the U.S. Forces for such purposes", HQ USAFE/A7P shall ensure timely and current notification of individuals in writing authorized to sign ABG documents on behalf of USAFE.

5.1.1.2. Warrants.

5.1.1.2.1. **Standard Warrant.** Limitations contained in the Department of Defense Federal Acquisition Regulations (FAR) Supplement and the Air Force FAR Supplement. Limited to contractual actions not in excess of \$56,000,000.

5.1.1.2.2. **ABG-75 Warrant.** This warrant reflects the proper delegation to U.S. employees of signature authority for the U.S. Government limited to ABG-75 actions not in excess of \$100,000, including foreign currency fluctuation, for the purpose of validating funding availability and obligating the United States Government in accordance with the provisions of ABG-75. This type of warrant is issued to both MAJCOM and base level appropriate personnel, mainly engineers, involved in construction under the Indirect procedure. This warrant was specifically designed to provide MAJCOM and base level personnel limited authority, up to and including foreign currency fluctuation, not to exceed \$100,000 per ABG-75 action (Reference [paragraph 3.4.4.12](#)), to execute an Indirect project.

5.1.1.2.3. Prior to delegation, the followings conditions apply:

5.1.1.2.3.1. HQ USAFE/A7P and HQ USAFE/A7K shall jointly ensure individuals are trained on specific provisions, procedures and requirements of

ABG-75.

5.1.1.2.3.2. HQ USAFE/A7P shall ensure the designated personnel signing ABG Forms which includes ABG Forms 3, 4, 5, 5A and 6 up to the \$100,000 limit are also appointed as Indirect ABG-75 contracting officers.

5.1.1.2.4. For reviews and signatures of ABG Form 8s-*Construction Costs* and Partial ABG Form 9s-*Administrative Fees*, warrants are not needed. HQ USAFE/A7P and HQ USAFE/A7K shall jointly ensure individuals are trained and appointed in writing, on a DD Form 577 and by formal letter, *Appointment/Termination Record – Authorized Signature*, as Departmental Accountable Officials or Certifying Officers depending on their role in the financial certification process. Accountable officials are responsible for the review of ABG 8s and 9s only. Based on the review, the certifying officers ensure funds are in place prior to signing ABG forms as described in [paragraph 5.1.2](#).

5.1.1.3. HQ USAFE/A7P shall provide the FfE a list of individuals having authority to sign ABG documents at least annually.

5.1.2. Signature Authority on ABG Documents.

5.1.2.1. **Certifying Project Initiation and Design Documents.** Only Indirect ABG-75 contracting officers trained in, warranted and appointed in writing by HQ USAFE/A7K to specifically work ABG-75 related construction under the Indirect procedure are authorized to sign an ABG Form 3-*Request/Approval/Award Document*. This applies to subsequent requests and approvals in ABG Form 3, Part 1, Item 3. The documents are forwarded to the appropriate GCA, depending on cost, for acceptance via a counter signature for projects including new construction, alterations, and/or additions as defined in Article 1, Paragraphs 1.4, 1.4.1, and 1.4.2 of ABG-75.

5.1.2.2. **Certifying Project Construction Execution Documents.** Only Indirect ABG-75 contracting officers trained in, warranted and appointed in writing by HQ USAFE/A7K to specifically work ABG-75 related construction under the Indirect procedure are authorized to sign ABG Form 4-*Tender Acceptance Form* and any requests for contract modifications which includes all ABG Form 5s-*Change Order Document* submitted to the U.S. by the Bauamt, ABG Form 5As-*U.S. Forces Change Request*, prepared and submitted by the U.S. to the Bauamt and ABG Form 6s-*Order Document for Term Construction*. ABG Form 6s are rarely used for U.S. Force Indirect projects. For project financial documents, CE personnel trained and appointed in writing by their commanders to represent their organizations as Departmental Accountable Officials via DD Form 577, *Appointment/Termination Record – Authorized Signature*, are authorized to sign ABG Form 8s-*Construction Costs* and **Partial (not final)** ABG Form 9s-*Administrative Fees*. Processing is “time critical” to ensure contractors are paid for work verified by the Bauamt and the U.S.

5.1.2.3. **Certifying Project Acceptance Documents.** Only Indirect ABG-75 contracting officers trained in, warranted and appointed in writing by HQ USAFE/A7K to specifically work ABG-75 related construction under the Indirect procedure are authorized to sign the **Final** ABG Form 9-*Administration Fees*, which is considered the formal project closeout document with the Bauamt.

5.1.2.4. The BCE shall ensure at a minimum the following information is provided to the Indirect ABG-75 contracting officer:

5.1.2.4.1. A statement providing justification summarizing the need to obligate U.S. funds.

5.1.2.4.2. The original ABG-75 form requiring the contracting officers signature and its attachments.

5.1.2.4.3. Other information and attachments that will enhance the contracting officers understanding.

5.2. U.S. versus German Standards under Indirect Procedures. Article 4 of the ABG-75 Administrative Agreement prescribes that U.S. Forces' projects be executed by the German authorities in their own name and on their own responsibility in accordance with German laws and administrative regulations in force for federal construction. Articles 4.2 and 4.3 of ABG 75 provide for certain exceptions. Article 4.2 of ABG-75 states, "If any regulation of the Forces regarding public safety and order lays down higher standards than the German regulations, the Forces' regulations shall be observed if they so request. The Forces accept responsibility arising directly from the application of such standards. The Forces shall attach to their request the technical details, which are to be observed. The request must be made sufficiently early to allow cost calculations to be made." Refer to the latest Implementing Instructions to Article 4 of ABG-75 for specific procedures.

It is USAFE policy that questions regarding applicability between U.S. and German standards shall be dealt with on a case-by-case basis in accordance with Article 4, ABG-75. The following guidelines have been established:

5.2.1. Public Safety and Order. U.S. standards are to be applied wherever appropriate in cases where German public safety and order is not affected. In cases where public safety and order is an issue, German regulations shall be observed unless the BCE supplies proof that U.S. regulations lay down higher standards than those stipulated in German law. Such regulations must be provided to the Bauamt by the BCE with the initial ABG Form 3 or no later than the pre-concept review stage of the design work (KVM-Bau).

5.2.2. Fire Codes and Life Safety. In all cases, U.S. regulations and criteria for fire codes and life safety codes shall be followed. The BCE shall provide the U.S. standards to the Bauamt with the initial ABG Form 3. Note that German and U.S. Fire codes are not consistently complementary and conflicts are likely. Regarding fire protection, the BCE shall refer to and ensure designs comply with the requirements of the latest Unified Facilities Criteria (UFC) document for *Fire Protection Engineering for Facilities* found at www.wbdg.org. The DoD Unified Facility Criteria website (http://65.204.17.188/report/doc_ufc.html) also provides a current index of criteria for a multitude of subjects including fire protection requirements. BCE's shall ensure U.S. fire and life safety codes are strictly adhered to during construction. For U.S. projects on USAF installations in Germany, U.S. National Fire Protection Standards (NFPA) fire protection criteria shall be mandatory. The Bauamt is responsible for ensuring contractors comply with the jobsite safety standards.

5.2.3. Anti-Terrorism/Force Protection (AT/FP). AT/FP requirements shall be reviewed by the BCE in the programming stage and the facility sited according to the latest UFC 4-

010-01, *DoD Minimum Antiterrorism Standards for Buildings*, and other current technical criteria. Where the new facility cannot meet AT/FP requirements, costs to harden the facility to meet requirements must be programmed by the BCE. The Security Engineering Working Group website may provide an additional source of information. The DoD Unified Facility Criteria website (http://65.204.17.188/report/doc_ufc.html) provides a current index of criteria for a multitude of subjects including AT/FP, Security Engineering and Mass Notification Systems.

5.3. Documenting Unsatisfactory Performance. The BCE shall provide continued feedback to the Bauamt and HQ USAFE/A7P when A-Es or contractors are found to be unresponsive to U.S. Forces' quality or compliance concerns. A contractor's performance is deemed unsatisfactory should one or more of the following conditions exist:

5.3.1. Work will not meet the contract completion date or is more than 30 calendar days or 5% behind schedule.

5.3.2. Warranty repair or replacement work is not timely.

5.3.3. Quality of work is poor or the Bauamt is not adequately enforcing quality control on site. The BCE shall provide descriptions and examples of work deficiencies to HQ USAFE/A7P and HQ USAFE/A7K whenever poor performance from a Bauamt contractor or an A-E firm warrants a recommendation for restriction from further work for the U.S. Forces. If the BCE determines the quality of the work to be poor, the BCE should request HQ USAFE/A7P to notify both the FfE and USAFE contracting offices. The BCE should communicate directly with the Bauamt on issues related to active projects. The BCE should notify the responsible Bauamt of serious construction deficiencies in writing clearly describing the nature and extent of the deficiency and requesting the Bauamt and contractor to take corrective action. Deficiencies warranting formal notification could include concerns regarding project quality, qualification, performance or timeliness. HQ USAFE/A7P will communicate with the proper German authorities on any matter requiring elevation to higher level authorities.

5.4. Project Management Plans (PMP). USAFE policy requires the BCE to prepare a PMP prior to design start for all MILCON and all O&M construction, renovation and repair projects exceeding \$750,000 which are executed under the Indirect procedure. The PMP is intended to be a comprehensive "living document" that is refined as the project progresses. The PMP outlines the roles and responsibilities of the Project Delivery Team (PDT) and provides the framework for executing the project. The PMP outlines the strategy for the project identifying specific delivery methods and milestones. The document should be developed in collaboration of the entire PDT. **Attachment 5** outlines topics to include in Project Management Plans.

Chapter 6

INDIRECT PROCEDURE, PROJECT INITIATION

6.1. Project Initiation. Before initiation of Indirect procedure projects, the BCE shall ensure the following documentation has been prepared:

6.1.1. The project approval document. (DD Form 1391, AF Form 332, etc.).

6.1.2. The purchase Request (certified AF Form 9).

6.1.3. The U.S. Forces initiate design and construction of properly approved projects through various GCA depending on the cost. Formal project initiation begins with the submission of an ABG Form 3 package to the appropriate GGCA signed by a contracting officer.

6.2. ABG Form 3. The ABG Form 3 document is used for requesting and approving design and construction work in progressive steps. The BCE is responsible for the preparation of ABG Form 3 packages for Indirect procedure projects on bases under their responsibility. Only an Indirect ABG-75 contracting officer is authorized to sign the ABG Form 3 on behalf of USAFE, reference [paragraph 5.1.2](#). The ABG Form 3 may also be used to award contracts on an estimated basis, thus obligating both design and construction funds only with written approval from the USAFE Civil Engineer.

6.2.1. ABG Form 3 Preparation Procedures. The ABG Form 3 shall, upon signature of an Indirect ABG-75 contracting officer, serve as an order against the ABG-75. The countersigned ABG Form 3 is forwarded to the FMO and DFAS, who transfers funds from commitment to obligation or makes downward adjustments, as appropriate. The accepted ABG Form 3 is recorded as an Undelivered Order Outstanding (UOO). The BCE shall use ABG Form 3 to provide basic project information, preferred method of contracting with justification and list out any additional services for the design and construction phases in (an) attachment(s) to Block 5 remarks section:

6.2.1.1. A statement of work in German and English based on DD Form 1391. The statement of work shall include the basic items of work and clearly defined deductive items, if any are requested, and also list applicable UFC and AF design standards,. All items of work (basic items and each deductive item) must be self-contained, independently functional and listed in order of preference. (Reference Articles 5.9 and 20.3 of the ABG-75 Implementing Instructions.)

6.2.1.2. **List of requested additional services.** Note that additional services are those services that are not covered by the Bauamt fee and are to be paid separately by the U.S. Forces. Because deciding which services constitute additional services is not always clear and is project specific, the BCE shall consult with MAJCOM with questions regarding additional services. Additional services include, but may not be limited to:

6.2.1.2.1. Typical Design Phase Additional Services.

6.2.1.2.1.1. Topographical Survey.

6.2.1.2.1.2. Building Survey / Structural Survey. For future major renovation projects, engineers shall request the Bauamt to validate as-built drawings and project site conditions prior to contract award.

- 6.2.1.2.1.3. Soil Survey / Geotechnical Report.
- 6.2.1.2.1.4. Reproduction.
- 6.2.1.2.1.5. Asbestos / Hazardous Material Survey.
- 6.2.1.2.1.6. Environmental Impact Assessment.
- 6.2.1.2.1.7. Additional building survey due to incomplete and/or missing as-built drawings.
- 6.2.1.2.1.8. TV camera recording of sewer system.
- 6.2.1.2.1.9. Translation of special documents.
- 6.2.1.2.1.10. Energy Economic Analysis.
- 6.2.1.2.1.11. Other additional services.
- 6.2.1.2.2. **Typical Construction Phase Additional Services.**
 - 6.2.1.2.2.1. Landfill Fees.
 - 6.2.1.2.2.2. Compensation measures.
 - 6.2.1.2.2.3. Tree cutting.
 - 6.2.1.2.2.4. Ordnance clearing/removal.
 - 6.2.1.2.2.5. Forestry compensation measures.
 - 6.2.1.2.2.6. Natural protection compensation measure.
 - 6.2.1.2.2.7. Discharge fee-connection charges for sewer.
 - 6.2.1.2.2.8. Connection charges for water.
 - 6.2.1.2.2.9. Translation of special documents.
 - 6.2.1.2.2.10. Easement fees.
 - 6.2.1.2.2.11. Other additional services.
- 6.2.1.3. Performance Times.
- 6.2.1.4. Statement that “ The project shall be ready to advertise no later than...”
- 6.2.1.5. 65% submittal requirement. (Reference [paragraph 7.7.3](#)).
- 6.2.1.6. Involvement of U.S. Consultant.
- 6.2.1.7. Submission of and basic calculation requirements.
- 6.2.1.8. Methods of invitation to tender. (Reference Article 5, ABG-75).
 - 6.2.1.8.1. Public Advertisement.
 - 6.2.1.8.2. Statement that “The project must be advertised for award to a single general contractor or to a joint venture (justification attached).” (Reference [paragraphs 7.11.3, 8.2.2](#) and reference Article 8.6, Implementing Instructions to ABG-75).
- 6.2.1.9. Preparation of Specifications. (Reference Article 7.1.4, ABG-75).

- 6.2.1.9.1. New construction = bid and award as lump sum.
- 6.2.1.9.2. Renovation and exterior work = unit price.
- 6.2.1.10. Project Information.
 - 6.2.1.10.1. U.S. Project Manager(s).
 - 6.2.1.10.2. U.S. Mailing Address.
- 6.2.1.11. Statement that “The necessity of tree cutting is to be determined.”
- 6.2.1.12. Further U.S. requirements or information .
- 6.2.1.13. List and Copies of specific U.S. Regulations. (Fire, Life Safety, AT/FP, etc.) (Reference [paragraph 5.2](#)).
- 6.2.1.14. Statement that “This project directly supports the defense mission of the U.S. Forces in Europe.”
- 6.2.1.15. The BCE shall determine whether there are any special translation requirements.

6.2.2. Initial ABG Form 3 Submittal Procedures. The BCE shall include any special requirements for security, contractor access, construction periods, etc., in the SOW when it is submitted. Once the ABG Form 3 package is reviewed and signed by an Indirect ABG-75 contracting officer, the BCE will submit Part I of the ABG Form 3 package according to the latest version of the required distribution listed in the ABG-75 flow charts for formal acceptance and countersignature to the appropriate GCA as listed below:

- 6.2.2.1. For very minor construction, alterations and extensions up to and including €150,000, along with Indirect procedure maintenance and repair projects regardless of cost, the BCE shall submit three (3) copies of Part I of the ABG Form 3 package to the Bauamt and send two (2) copies to the FfE for information only.
- 6.2.2.2. For new construction, alterations and extensions over €150,000 up to and including €375,000, after coordination with HQ USAFE/A7P, the BCE shall submit six (6) copies of Part I of the ABG Form 3 package to the FfE and send one (1) copy to the Bauamt for information only.
- 6.2.2.3. For new construction, alterations and extensions over €375,000, the BCE shall use the Indirect procedure if not covered under the exemption of Art 27, ABG-75 (Reference [paragraph 4.1.6](#)). A funded AF Form 9, for a minimum of 60 percent of the compensation fee (5.6 percent for new construction or 7.5 percent for maintenance and repair of the estimated construction cost) shall be prepared by the BCE and a contract number assigned by the FMO (Reference [Attachment 7](#) for a breakdown of the NAEs at the various design and construction stages). After coordination with HQ USAFE/A7P, the BCE will submit eight (8) copies of the ABG Form 3 package to the appropriate FRG ministry (FMOD for Defense related projects and FMOC for Civil related projects) for countersignature and initial acceptance with one (1) information copy each sent to the Responsible State Ministry, the FfE and the Bauamt. Once the initial acceptance is received from the appropriate FRG ministry, the BCE shall submit subsequent ABG Form 3s for the project used to approve design phases and request actions directly to the Bauamt with information copies to the FfE.

6.2.3. Funds Commitment and Obligation. Acceptance of the ABG Form 3 by the German authorities is required before funds may be obligated for the project. Prior to acceptance by the German authorities, the initial ABG Form 3 is considered a commitment document. Acceptance of the ABG Form 3 by FRG obligates funds for project and design including fees. Construction project costs generally are obligated through the approved ABG Form 4 (Reference [paragraph 7.12.3](#)).

6.2.4. Base Finance Management Office (FMO) Funding. The BCE forwards a copy of the initial ABG Form 3 signed by an Indirect ABG-75 contracting officer and AF Form 9 to the FMO who places a commitment on funds required to support the ABG Form 3 request in Part I, Line 3. Upon receipt of the countersigned ABG Form 3 from the Bauamt, the FfE or appropriate German Federal Ministry, the BCE forwards a confirmed copy to the FMO who transfers funds from commitment to obligations. The BCEs shall ensure that sufficient lead time is allowed for year-end obligation of funds.

6.2.5. Joint Funding Simplification. For those projects containing a mix of fund sources, e.g., NAF and MILCON, project managers should consider managing the various funds sources in a central account, allowed for under 31 United States Code (USC) 7107, *Joint Management of Funds*. Funds should be held by the U.S. and not the Bauamt. Joint funds management may significantly reduce the administrative workload on both U.S. and Bauamt personnel.

6.3. Project Cost Estimates. Protocol of Signature and the Implementing Instructions do not require the FRG to separate types of funds provided by the U.S. Forces in support of construction projects. In addition, the definitions of repair, maintenance, minor construction, and major construction differ between the German Government construction agencies and the U.S. Forces. However, the normal Bauamt 100% cost estimate provides unit cost for identified work elements. The BCE should work with the Bauamt to structure the work elements to provide the U.S. Forces with the required information needed to track classification of funds during the design process. During the execution phase, the BCE shall classify the required changes as maintenance, repair, minor construction, with scope determination. It is the BCE's responsibility to ensure construction funds are tracked and classified correctly in accordance with U.S. fiscal law.

6.4. Project Folder. In the administration of Indirect procedure projects, the BCE should establish a project management folder at project initiation containing the record of all project related actions and correspondence. This folder serves as the master official folder containing ABG-75 actions processed through the life of the project. A suggested format for this folder and project files is provided at [Attachment 6](#).

Chapter 7

INDIRECT PROCEDURE, PROJECT DESIGN

7.1. Pre-Design Conference. After the appropriate GCA has accepted the project, the US Forces will assist the Bauamt in setting up a pre-design conference to include representatives from the Bauamt, A-E firms, project stakeholders, and all appropriate US agencies. At the pre-design conference, design milestones (design start, KVM-Bau, HU-Bau, AFU-Bau, , advertisement date, notice to proceed/mobilization date and construction complete date) should be established, problems resolved and scope of work accurately defined. At the pre-design conference, the BCE shall perform a thorough risk analysis prior to embarking on construction design and execution acquisition methods outside the norm (such as Fast Track, etc.). This risk analysis will consider current USAF policy and guidance, both US and the Bauamt limitations under the ABG-75 Indirect procedure, US and German contracting and fiscal law, as well as past performance on projects with critical schedules. If the BCE would like to include specific FAR clauses or language in the contract, the BCE shall solicit the agreement of the German authorities to such inclusions. The BCE shall ensure this agreement is documented in meeting minutes.

BCE personnel should be prepared to turn over reproducible copies of as-built drawings and utility drawings to designers at this time. The design specifications should include any special requirements, both those in the SOW and any new requirements. A hazardous materials plan should be addressed. Performance times for design are normally agreed upon at the pre-design conference. The BCE should provide the required performance time and be prepared to support it.

7.1.1. Design Durations. Experience has shown the following times to be reasonable for design execution for projects in the FRG. These are typical durations (by project value) for estimating performance time for planning and programming purposes:

7.1.1.1. **Up to €1M.** Eight (8) months for complete design with 35 percent at three (3) to four (4) months.

7.1.1.2. **1 to €5M.** 12 months for complete design with 35 percent at four (4) to five (5) months.

7.1.1.3. **5 to €10M.** 15 months for complete design with 35 percent at six (6) months.

7.1.1.4. **Over €10M.** To be determined at pre-design conference, but in excess of 15 months.

7.1.2. Solicitation and Construction Durations. In addition to design time, the BCE shall consider the following:

7.1.2.1. **Advertisement.** From 30 to 60 calendar days depending on value and scope.

7.1.2.2. **Review of bids and award.** A minimum of 45 calendar days depending on the value and scope of the project and the number of bids received.

7.1.2.3. **Construction period.** The BCE shall refer to existing USAF guidance and policy regarding setting construction period goals.

7.1.2.4. **Weather.** Impacts during proposed construction period.

7.2. Design Meetings. The BCE is the point of contact for the U.S. Forces and will interact with the Bauamt to provide cross-feed of technical information as required to support the design process. Meetings concerning reviews should be formalized and comments recorded on USAFE Form 307, *Project Review Comments*, and 307B, *Project Review Comments (Continuation Sheet)*. The BCE shall identify additional design requirements or additional services on an ABG Form 5A not later than the KVM-Bau. This does not preclude any additional service requirements to be submitted during the remaining design/construction process. The quantity and size (full/half sheet) of English/German design submittal copies required for each review should be coordinated at the pre-design meeting. If the BCE requires more than one copy for each design phase (KVM-Bau, HU-Bau, AFU-Bau, etc.), the U.S. Forces will incur additional costs for the services. There are four formal design reviews. These include:

7.2.1. **Kostenvoranmeldung-Bau (KVM-Bau).** Pre-Concept (5%-10%) design submittal (Article 7.1.2, ABG-75)

7.2.2. **Haushaltsunterlage-Bau (HU-Bau).** Concept (approximately 35%) design submittal (Article 7.1.3, ABG-75)

7.2.3. **Ausführungsunterlage-Bau (AFU-Bau) I.** Final (90%-95%) design submittal (Article 7.1.4, ABG-75)

7.2.4. **AFU-Bau II.** Final (100% design) tender action package (Article 7.1.4, ABG-75)

7.3. KVM-Bau Pre-Concept Design Submittal (5-10% Design). Following the pre-design meeting, the Bauamt prepares the KVM-Bau submittal. The submittal consists of an informal explanatory report, a rough cost estimate, a general location plan, and a building expert's report on site suitability to ensure the design requirements are understood before progressing further with the design. The KVM-Bau shall be considered the project scope approval point, effectively meaning that user requested design changes after this point would result in payment for lost design effort; changes to comply with UFC or design standards as specified in the SOW are not considered user changes at this or more advanced design phases. For the US, the BCE ensures copies are forwarded to the User and other stakeholders as requested for review/comments.

7.3.1. **Design Review Meeting.** Within eight (8) calendar days after distribution of the KVM-Bau, a KVM-Bau review meeting is held at the BCE office. Participants shall include representatives of the Bauamt, the User, and BCE representatives.

7.3.2. **Design Review Comments.** Review comments will be consolidated by the BCE and transmitted to the Bauamt for incorporation into the design. The BCE will also provide an electronic copy of the meeting minutes and consolidated comments to the User. The BCE shall ensure each comment is addressed and annotated by the GCA A-E prior to approving any design phase on the ABG Form 3. The BCE shall provide an electronic copy of the A-E annotated comments to the User prior to providing approval for design continuation to the Bauamt.

7.4. HU-Bau Design Submittal (35% Design). Upon written approval of the KVM-Bau submittal by an Indirect ABG-75 contracting officer (on ABG Form 3), the Bauamt proceed shall proceed with the preparation of the HU-Bau submittal. The Bauamt shall submit the HU-Bau to the BCE who shall distribute it to the User and other stakeholders within 15 calendar days after receipt. The HU-Bau consists of plans, an explanatory report, current working cost estimate, quantity calculations and a building expert's technical report.

7.4.1. Design Review Comments. Comments at this time should focus on the functional arrangement, the technical requirement and economical maintenance and operation. At a minimum, the User, the BCE, Base communications, safety, environmental and Security Forces should be involved in the review. The USAFE Project Manager (PM) shall consolidate comments and forward them to the Bauamt approximately six (6) weeks after receipt of the HU-Bau. BCE shall also provide an electronic copy of the consolidated comments to the User.

7.4.2. Design Review Meeting. A HU-Bau review meeting will be held at the BCE office no later than thirty (30) calendar days following transmittal of the HU-Bau comments to the Bauamt. The meeting is scheduled by the BCE and includes the Bauamt, the A-E and the User.

7.4.3. Design Review Comments. The BCE shall consolidate review comments and transmit them to the Bauamt for incorporation into the design. The BCE shall ensure each comment is addressed and annotated by the Bauamt A-E prior to approval on the ABG Form 3. BCE will provide the User an electronic copy of the A-E annotated comments prior to providing approval for design continuation to the Bauamt.

7.4.4. Design Comment Incorporation. The U.S. Project Managers shall ensure design review comments are incorporated through the use of back check reviews by technical designers and obtain written confirmation of their incorporation into the design from the Bauamt.

7.4.5. Design Continuation. Upon written approval by the BCE of the HU-Bau, the Bauamt shall proceed to the AFU-Bau. If the initial ABG Form 3 did not authorize the design to 100%, the BCE shall prepare and forward an ABG Form 3 modification document checking the appropriate block in Part I of the form. This shall be reviewed and signed by an Indirect ABG-75 contracting officer.

7.4.6. Public Review. The basis for public coordination review conducted by the Bauamt is the completed and approved HU-Bau submittal. Public coordination procedures are initiated by the Bauamt and are usually complete by the time of submission of the AFU-Bau.

7.5. AFU-Bau I (90-95% Design) Submittal. Upon written approval of the HU-Bau submittal by an Indirect ABG-75 contracting officer (on ABG Form 3), the Bauamt shall proceed with preparation of the AFU-Bau submittal. The Bauamt shall submit the AFU-Bau I to the BCE who shall distribute it within fifteen (15) calendar days after receipt to the User and any other stakeholder that may need to review. The AFU-Bau consists of design drawings, working drawings, specifications (together with bills of quantity), approved structural analyses, together with calculations and relevant drawings showing the stability of the design, proof of thermal and sound insulation and fire protection and other calculations and analyses, as required.

7.5.1. Design Review Meeting. Agencies involved in the review of the 35% (HU-Bau) design submittal shall review the 90-95% (AFU-Bau 1) design. Only minor changes should be required at this time based on incorporation of previous design review comments and design's compliance with UFC and design standards as prescribed per the SOW. Major recommended changes should be carefully considered as they may significantly impact final design and construction milestones. Changes will also increase the cost of the design (lost

design effort); however, if changes are required, it would be better to make such changes at this time rather than during construction.

7.5.1.1. BCE personnel perform the constructability review which includes a thorough plan-in-hand check on the site to verify all aspects of facility, utility and topographic conditions. The review focuses on weak areas of design that may precipitate changes or claims as a result of design errors or omissions due to incorrect description of existing site conditions.

7.5.1.2. BCE personnel perform a maintainability review to ensure systems and equipment can be easily and properly serviced. Superintendents responsible for utilities ensure tie-ins are accurately depicted.

7.5.1.3. Project Managers shall ensure design review comments are incorporated into subsequent design submittals through the use of back check reviews by technical designers and each comment shall be annotated by the designer. U.S. PMs shall obtain written confirmation of their incorporation into the design from the Bauamt.

7.5.2. Final AFU-Bau I Design. Within 30 calendar days of receipt of the AFU-Bau I, the BCE shall consolidate comments and forward them to the Bauamt for incorporation into the final AFU-Bau design. The BCE shall also provide an electronic copy of the consolidated comments to the User.

7.5.3. Design Review Conference. The BCE shall schedule design review conferences within 30 calendar days of the transmittal of comments to the Bauamt, with attendees including the Bauamt, the A-E and the User.

7.5.4. The BCE shall prepare minutes of the AFU-Bau I review meeting and forward copies to all attendees. If there were additional review comments on the AFU-Bau I, the BCE shall transmit the review comments to the Bauamt within 17 calendar days after of the review meeting.

7.5.5. Corrected Final Design. As a result of the AFU-Bau I meeting, the Bauamt shall prepare and submit to the BCE a corrected final AFU-Bau design within 30 calendar days after receiving the AFU-Bau I comments. BCE will provide the User and reviewing authorities (e.g., AFCESA, AFSVA, AAFES,) a copy of the corrected final design for review prior to the AFU-Bau II meeting.

7.6. AFU-Bau II (100% Design) Submittal. Within eight (8) calendar days of receiving the corrected AFU-Bau II design, the BCE shall schedule a meeting with the User to review the changes. Attendance by the Bauamt or the A-E is not mandatory unless the initial review of the AFU-Bau II reveals noncompliance with previous review comments.

7.7. Special Design Reviews. Certain reviews and actions are specifically required by this and other directives. While the project is accomplished within German laws and procedures, it is the BCE's responsibility to review designs to ensure they adhere to U.S. laws and procedures. The BCE shall accomplish required reviews locally.

7.7.1. BCE Responsibilities. The BCE is responsible for ensuring the following review actions:

7.7.1.1. The User-client shall review each project at each stage, providing comments in writing, with specific reasons for exceptions.

7.7.1.2. Communication systems, base safety, security police and fire department shall also review each project to ensure active and passive security requirements and life safety codes are met, and that necessary information systems requirements such as pre-wiring are included and programmed for installation upon project completion. The BCE should require written responses.

7.7.1.3. The BCE shall review designs for functional and technical sufficiency.

7.7.1.4. The BCE shall ensure maintainability reviews are accomplished.

7.7.1.5. Constructability is implied since the Bauamt as the designer must ensure its designs are constructible.

7.7.1.6. The BCE shall ensure the Bauamt addresses, annotates and incorporates all U.S. design review comments in the project design prior to requesting an Indirect ABG-75 contracting officer's approval of each design phase on ABG Form 3.

7.7.2. Special Review Requirements. Either AFCEE/CMT or the BCE project manager shall ensure any special design review requirements are incorporated into the project design based on other instructions or agreements. Most medical, dental, chapel, services, DODDS-E, AAFES, AFSVA and DeCA facilities, for example, shall require special using agency reviews.

7.7.2.1. User-client review and comment is required before the Bauamt may advertise the project; user-client signing of the drawings is not sufficient. The User-client's written conclusions should clearly convey that the User-client thoroughly reviewed the design, that any questions have been satisfactorily answered, and that the design satisfies the User-client's requirements. Any User-client concerns or reservations shall be clearly stated.

7.7.2.2. Technical approval does not eliminate the need for local review of matters that can only be properly evaluated with knowledge of the local stakeholders.

7.7.2.3. The BCE shall revisit the site whenever a question arises concerning existing conditions because verifying existing conditions may uncover potential design errors or omissions that could be costly during construction if not promptly addressed.

7.7.2.4. The BCE shall annotate comments on USAFE Forms 307 and 307B and retain copies as written records of comments of design reviews at various levels of the project design. The BCE shall complete this form in a minimum of two copies and shall file one copy in the project folder and send one to the designer. Other agencies may request the BCE to provide additional copies.

7.7.2.5. AFCEE and installation PMs shall take measures to ensure that design A-E firms procured by the Bauamt to perform subsequent construction management (CM) duties establish a proper separation of duties permitting independent review of construction quality control, costs and schedule.

7.7.3. Design Reviews at 65% Submittal. Because thorough design review is crucial to the success of USAFE's MILCON program, the BCE shall tailor the design review process for each project on the basis of complexity, cost and schedule. MILCON projects procured through the ABG-75's Indirect procedure typically include only two design stage submittals; the 35% and the 95%. 65% submittals are usually not required for projects, and construction

document reviews are typically conducted through on-board meetings (over-the-shoulder) in the A-E's office. This allows team members to provide the necessary design oversight without stopping design. USAFE engineers shall request formal 65% submittals on the initial ABG Form 3 for complex or unique projects and projects with significant Heating, Ventilating and Air Conditioning (HVAC) or industrial operations requirements. For other less complex projects, USAFE engineers shall focus on the key elements of the designs with significant HVAC or industrial operations requirements by asking the A-E for detailed floor plans/layouts and/or renderings of HVAC systems that would facilitate detailed and thorough over-the-shoulder reviews.

7.8. Design Changes. Design changes are different from design review comments, and alter the scope of work intended in the statement of work submitted with the ABG Form 3. Design review comments reinforce or emphasize requirements included in the statement of work. It is important that PMs understand how incorporating comments will effect the project's final form and its ease of execution, as well as its scope and cost. If inclusion of the comments causes significant problems, the BCE shall elevate the situation to HQ USAFE/A7P for resolution.

7.8.1. ABG Form 3 Documentation. The BCE accomplishes design changes by submitting an ABG Form 3 modification package to the Bauamt. The package includes the following:

7.8.1.1. ABG Form 3.

7.8.1.2. Revised and re-approved DD Form 1391 (if required).

7.8.1.3. Statement of Work package.

7.8.1.4. AF Form 9, if additional funds are required.

7.8.1.5. Justification for the change. The following additional items are necessary as supplemental information:

7.8.1.5.1. User comments critical to mission success.

7.8.1.5.2. Functional and technical comments.

7.8.1.5.3. Fire Department comments.

7.8.2. ABG Form 3 Processing. Once the ABG Form 3 modification package has been reviewed and signed by an Indirect ABG-75 contracting officer, the BCE shall submit the package to the Bauamt during the design phase.

7.8.3. ABG Form 3 Change Order Documentation to FMO. The supplemental ABG Form 3 is used by the U.S. Forces to modify the original agreement. If the ABG Form 3 is initiated only to increase funds in support of a revised current working estimate during the design, the Bauamt is not required to countersign the ABG Form 3 document, and form is sent by the BCE to both the FMO and the Defense Finance and Accounting Service (DFAS) who immediately records as an obligation. If the ABG Form 3 is initiated to alter the design and/or make downward adjustments to the initial ABG Form 3, the ABG Form 3 requires the Bauamt's countersignature showing acceptance of the change. The ABG Form 3 is reviewed and signed by an Indirect ABG-75 contracting officer and forwarded to the FMO and DFAS. If the ABG Form 3 is a downward adjustment, no action is taken by the FMO until receipt of

the countersigned ABG Form 3. An ABG Form 3 for an increase is recorded by the FMO as an obligation of funds.

7.9. Contract Clauses. The ABG-75 agreement is an international U.S. Forces/FRG executive agreement providing that Indirect procedure construction projects will be executed in accordance with German laws. However, Annex A of the Protocol of Signature includes the following “boilerplate” provisions of U.S. contracting law (which are also found in the FAR):

7.9.1. United States Officials not to Benefit.

7.9.2. Covenant Against Contingent Fees.

7.9.3. Gratuities.

7.9.4. Cost Plus a Percentage of Cost.

7.10. Inclusion of FAR Clauses. Under the present ABG-75 agreement, U.S. Forces have no authority to unilaterally incorporate additional FAR clauses into Host Nation construction contracts executed using the Indirect procedure. Furthermore, the spirit and intent of many FAR clauses used by the U.S. Forces are mirrored in German contracting laws and regulations applied by the German authorities in their execution of Indirect procedure construction projects. The EVM/B is a compendium of standard contract provision forms for building and works similar to the special contract requirements and clauses including other procurement documents used for Direct procedure projects. These forms are included in the “Vergabehandbuch fuer die Durchfuehrung von Bauaufgaben des Bundes im Zustaendigkeitsbereich der Finanzbauverwaltung,” in English the “Manual on Financial Management of Federal Contracting in Germany” (VHB), and shall be used by the German government contracting agencies for all ABG-75 Indirect procedure construction projects.

7.11. Project Advertisement. Following the incorporation of final AFU-BAU II comments, the design is considered complete and ready for tender action (advertisements). Construction advertisements are conducted by the Bauamt according to open (public) procedures in accordance with “Vergabe- und Vertragsordnung für Bauleistungen,” in English “Construction Contract Procedures” (VOB) Part A, Section 3.1.(1). The Bauamt shall award contracts based on full and open competition and only in rare exceptions should they be awarded under other than full and open competition. The justification must contain sufficient facts and rationale to support the decision. The justification shall be originated by the contracting officer in conjunction with the BCE, and approved by the base commander and the Staff Judge Advocate if the project is within the base’s Indirect procedure approval authority, and shall be approved by HQ USAFE/A7K if the project exceeds the base contracting authority.

7.11.1. **ABG Form 3 Preparation.** Upon acceptance of the AFU-Bau II, the BCE prepares an ABG Form 3 modification package (if the original ABG Form 3 did not authorize project advertisement) approving 100% design (ABG-75, Article 7.1.4) to be reviewed and signed by an Indirect ABG-75 contracting officer and requesting the Bauamt to tender actions. Once the package has been reviewed and signed, the BCE submits the authority to advertise package to the Bauamt for execution of the project.

7.11.2. **Bid Solicitation Review.** In conjunction with the Indirect ABG-75 contracting officer on record, the BCE should develop operating procedures to review bid solicitations to ensure the package meets the intent of the construction order and serves the best interest of

the U.S. government. If items are missing the contracting officer should submit recommendations to the Bauamt. The Indirect ABG-75 contracting officer should request the Bauamt to issue amendments to prospective bidders as necessary to protect the U.S. government's interest.

7.11.3. Use of General Contractors. USAFE's policy dictates the use of a single general contractor or joint venture for all USAFE construction projects. When approving the designs and requesting tender action, the BCEs shall ensure request and detailed justification are written on the ABG Form 3, Part 1, Item 5, Remarks section. (Reference [paragraph 8.2.2](#)).

7.11.4. Bid Evaluation. Following advertisement and submission of bids, a bid evaluation period is necessary. Advertisement and bid evaluation by the Bauamt can take up to 90 calendar days. Once the successful lowest responsive and responsible bidder is chosen by the Bauamt, they will submit an ABG Form 4 recommending award to the U.S. contracting officer.

7.12. ABG Form 4. The Bauamt provides the BCE with the bid evaluations of the five (5) lowest bids and alternative construction methods provided by the bidders. The recommendation package (ABG Form 4) is submitted as follows:

7.12.1. ABG Form 4 for Major Construction. For new construction projects over €375,000 the Bauamt submits five (5) copies of the ABG Form 4 to the BCE for countersignature. The BCE shall review the bid evaluation to ensure the U.S. government's interests were included in the bid response and any alternative construction method is in the best interest of the U.S. government. The BCE shall develop procedures to validate the recommendation from the Bauamt; however, the BCE is not authorized to reject the recommendation from the Bauamt. Only HQ USAFE/A7P, as an independent reviewer, may reject the recommendation from the Bauamt based on sufficient justification from the BCE. After review, the BCE will prepare an AF Form 9 for construction funds sufficient to cover the construction cost and will ensure funds are in place before the ABG Form 4 is reviewed and signed by the Indirect ABG-75 contracting officer (Reference [paragraph 3.4.5.2](#)). If the bid would expire before the receipt of funds, the Indirect ABG-75 contracting officer will request a bid extension from and approved by the Bauamt. The Indirect ABG-75 contracting officer will countersign the ABG Form 4 within 18 calendar days of receipt, return it to the Bauamt, and provide a copy to the BCE.

7.12.2. ABG Form 4 for Minor Construction and Maintenance and Repair. For new construction, renovation and alteration projects equal to or less than €375,000, the Bauamt submits five (5) copies of the ABG Form 4 package to the BCE for countersignature. The BCE shall review the bid evaluation to ensure the U.S. government's interests were included in the bid response and any alternative construction method is in the best interest of the U.S. government. The BCE shall develop procedures to validate the recommendation from the Bauamt; however, the BCE is not authorized to reject the recommendation from the Bauamt. Only HQ USAFE/A7P, as an independent reviewer, may reject the recommendation from the Bauamt based on sufficient justification from the BCE. If additional funds are required for the Bauamt to cover the low bid and award the contract, the BCE must request and receive funds before the Indirect ABG-75 contracting officer signs the ABG Form 4. If the bid would expire before the receipt of funds, the Indirect ABG-75 contracting officer will request a bid extension from and approved by the Bauamt. Bids are not normally extended beyond

30 calendar days. The ABG Form 4 will be reviewed and signed by a contracting officer, at BCE or CONS as appropriate. (Reference [paragraph 3.4.4.12](#) and [3.4.5.2](#)) and returned to the Bauamt within 18 calendar days. The signed ABG Form 4 gives the Bauamt authority to award the contract which obligates the U.S. to pay up to the amount on the ABG Form 4.

7.12.3. ABG Form 4 Funding. The ABG Form 4 is an obligation document that can adjust funding to meet the project cost, either by initial obligations or de-commitment of excess funds previously obligated to the project. The BCE is required to coordinate with its local FMO on ABG Form 4 funding actions. If insufficient funds are available to cover the low bid, the BCE will seek additional funds. When, after signature of the ABG Form 4, excess funds remain obligated for a project, the BCE shall instruct the FMO to de-obligate the excess construction funds. In such cases, the contracting officer will break out the cost estimate accordingly. If excess funds remain, the contracting officer will instruct the FMO to de-obligate the funds from the project.

7.13. Project Award. Contract award of an Indirect procedure project for construction is made only through the Bauamt. The Bauamt completes tender actions and makes the construction contract award within 28 calendar days of receiving the countersigned ABG Form 4 from the contracting officer. The construction Notice to Proceed (NTP) is issued by the Bauamt to their construction contractor.

Chapter 8

INDIRECT PROCEDURE, PROJECT CONSTRUCTION

8.1. Pre-construction Conference. Prior to issuance of the Notice to Proceed (NTP), the Bauamt is responsible for arranging an on-site pre-construction meeting. Participants should include the construction contractor, the design A-E, the User, and any other personnel as determined by the BCE. The pre-construction meeting establishes local ground rules directly related to contractor actions and interactions on base. Engineers should be prepared to discuss issues such as phasing, Government Furnished Equipment (GFE)/Government Furnished Materials (GFM) items, coordination in restricted areas, safety, fire protection, digging permit procedures and base access requirements as specified in the contract. During the pre-construction meeting, key points of contact from the Bauamt, the BCE construction manager, and the User shall be identified. The Bauamt will clarify contractual issues such as construction start date, contract amount, performance time, estimated construction completion date, etc. The participants will clarify technical questions, decide weekly construction progress meetings, and establish construction schedule requirements. The contractor shall submit a construction performance plan to the Bauamt within 21 calendar days after the pre-construction meeting.

8.2. ABG-75 Construction

8.2.1. General. The construction phase of a project executed using the Indirect procedure can be similar to Direct procedure procurement or it can be very different, depending on whether the work was contracted to a general contractor or contracted by trade. When a general contractor is responsible, he is responsible for coordinating the various trades (masonry, carpentry, electrical, mechanical, etc.) and for scheduling all work. When the work is contracted by trade, the Bauamt is responsible for coordinating the trades and for scheduling the work and acts as a General Contractor.

8.2.2. Use of General Contractors. It is USAFE policy to use general contractors instead of multiple individual specific “trade” contractors to carry out new construction. In certain limited circumstances, the BCE may allow the Bauamt to let trade contracts if the work contemplated is best suited to this type of contracting. However, where the BCE determines that a general contractor is required, the Bauamt is obligated to advertise in accordance with such a determination. The BCE’s determination shall be in writing and justified on an ABG Form 3 in a timely manner. Formal procedures can be found in the Implementing Instructions (8.6) for Article 8 of ABG-75. The BCE shall insist on the use of a general contractor and elevate any resistance on the part of the Bauamt to HQ USAFE/A7P.

8.3. Responsibilities During Construction

8.3.1. Bauamt. The Bauamt directly interacts with the contractor. They are responsible for ensuring that the work is accomplished according to plans and specifications. Their construction supervision performs day-to-day inspection, verifies quantities and quality of materials used and ensures the contractor performs in a workmanlike manner. The Bauamt resolves problems and initiates corrective action regarding design deficiencies.

8.3.2. Contractor. The contractor is responsible for meeting the contractual requirements and for providing materials and workmanship in accordance with the terms of the contract.

8.3.3. Base Civil Engineer. The BCE is responsible for identifying special scheduling and security requirements (e.g., base passes for contractors) during the design phase, ensuring those requirements are in the contract, and providing the contractor with assistance to ensure the requirements are met. The BCE is also responsible for providing surveillance. (Reference [paragraph 8.4](#)).

8.3.4. Finance Management Office (FMO). The FMO servicing the responsible BCE certifies and records funds availability on each construction project through preparation of an AF Form 9. The BCE has the authority to execute projects for Element of Expense/Investment Codes (EEIC) 521 and 522 and up to €375,000 for EEIC 529. The FMO processes ABG actions using the following forms that are distributed to DFAS. ABG Form 3 is the order form used to increase, decrease, or cancel funds, representing a commitment until accepted by the appropriate GCA, at which time funds are moved from commitment to Undelivered Order Outstanding (UOO) status. DFAS establishes projects in the Integrated Accounts Payable System (IAPS) with the different accounting classifications under each budget project (e.g., P-341 or P-721) and EEIC (e.g., 52900 or 53200). Increases or decreases to UOO are recorded for each ABG Form 5 received during the construction phase.

8.4. Air Force Construction Surveillance. Construction surveillance differs from inspection. Surveillance is defined as observation of a project's execution, as well as the progress of the project, to detect any problems that could adversely affect the final result. It must be close enough to detect anything that could prevent the completed work from serving its designed function. Experience has shown that under the Indirect procedure, the Bauamt may not have an organized quality assurance (QA) and quality control (QC) program other than the testing requirements of the VOB. The BCE shall ensure their surveillance includes a thorough internal QA/QC program. The BCE is responsible for establishing the frequency of surveillance visits as appropriate for the complexity of the project. Depending on the complexity and scope of the project, robust U.S. surveillance may be required to protect U.S. interests.

8.4.1. Reporting Construction Deficiencies. A record of surveillance visits shall be kept using AF Form 1477, *Construction Inspection Record*, or a similar form. At a minimum, the date, time, weather, number of people, and work sections should be completed and inspectors are encouraged to use all parts of the form. The AF Inspector shall ensure written records are immediately prepared concerning controversial items. The AF Inspector performing surveillance on an Indirect procedure project has no authority to direct or tell a contractor how to perform the work. If the inspector notes anything on-site not in compliance with the plans and specifications, it shall be noted on AF Form 1477, immediately brought verbally to the attention of the Bauamt inspector (Bauleitung) and followed with a written notice to the Bauamt within five (5) workdays. If the AF inspector discovers a condition which is unsafe or life threatening, the inspector shall contact the on-site Bauamt inspector to initiate this action with the contractor. If the Bauamt inspector is not on site, the AF inspector shall contact the contractor directly and immediately follow-up with the Bauamt. The AF Inspector shall document in writing on an AF Form 1477 each step taken.

8.5. Change Order Management.

8.5.1. General Considerations. Modifications may increase original contracted amounts formalized by the Bauamt with the contractor. Modifications allow equitable adjustments to

the contract requirements so as to accommodate differing site conditions, unforeseen conditions, corrections of errors and omissions (design deficiencies), delays and impacts to the work, administrative changes, weather delays, work suspensions, etc. Modifications should not significantly change the original scope of work. If a modification represents a scope increase or decrease of 5% or more, the PM shall work with the Bauamt to carefully examine the original scope to gain a clear understanding of the necessity for the change prior to approval. In the Indirect procedure, the PM shall ensure the Bauamt does not execute contract change orders prior to U.S. notification and approval. The PM shall work closely with the Bauamt to ensure they explain the urgency for each change and the impact if a change were not approved by the U.S. Forces. Additional costs caused by a change order are only borne by the U.S. if written approval has been granted by the U.S. Exceptional cases such as construction delay, construction stoppage, contractor claims, etc., are not valid reasons for the Bauamt to execute a change order without formal approval from the U.S. There are two types of changes, mandatory and non-mandatory, that the PM may encounter during construction. Mandatory changes are changes that must be made to allow the construction to proceed in a normal manner or to provide a fully functional facility and may be generated as a result of differing site conditions, errors or omissions in the plans and specifications, or directed changes in applicable standards and criteria and are normally generated and submitted by the Bauamt to the PM on an ABG Form 5 (Reference [paragraph 8.5.2](#)). Non-mandatory changes, normally user generated, typically arise based on changes in procedures, equipment or capabilities; or are changes to improve the maintainability or functional characteristics of a facility and are generated by the PM and submitted to the Bauamt (Reference [paragraph 8.5.3](#)).

8.5.2. Mandatory Change Order Initiation. Upon notification that the contractor proposes to deviate from the plans and specifications in his construction, the PM will work with the Bauamt to ensure all information necessary to reach a sound decision prior to approval of the ABG Form 5-*Change Order Document* is obtained. An Indirect ABG-75 contracting officer shall only approve and sign a change order document when it is determined that the modification is necessary and in the best interests of the U.S. Government (Reference [paragraphs 3.4.4.12](#) and [3.4.5.2](#)). The ABG Form 5 must include a clear and concise description of the change along with drawings as necessary to explain what is being done. Equally important is the technical justification for the change, the reason for the change, and why it was not included in the original design. This justification shall be clear, specific, and complete so that those unfamiliar with the contract will understand why the change is being made. The PM shall work closely with the Bauamt to minimize any construction delays. It is also important for funds reservation that costs are estimated realistically, with sufficient detail to support the estimated amount. For change requests, the following information is required:

8.5.2.1. Description of Requested Change. The Bauamt shall describe the key features of the requested change and whether the change represents an additional, altered or substitute requirement for a feature already included in the project.

8.5.2.2. Justification for Change. The Bauamt shall include specific references to Air Force Instructions, German regulations, Technical Orders, industry standards, or other applicable references or back up documentation.

8.5.2.3. Cost and Schedule. The Bauamt shall provide the cost of the change (or Rough Order of Magnitude (ROM) if precise cost information is not available) and schedule requirements, including impacts to project timeline, especially if the change is a critical path activity. PMs shall review and analyze Bauamt proposed cost estimates for reasonableness and technical accuracy. For change orders in excess of \$100,000, PMs shall document cost reviews as follows:

8.5.2.3.1. If the items in a change order are related to an item in the original (main) specifications, the PM will check the item based on the original (main) specifications.

8.5.2.3.2. If the items in a change order are comparable with items in the original (main) specifications, the PM may check the proposed prices for the change order based on the original (main) specifications.

8.5.2.3.3. If the items in a change order are completely new items that are not included in the original (main) specifications, the PM will check the unit prices based upon documentation (internet research and quotations by construction companies) provided by the LBB. Original overhead costs should remain unchanged.

8.5.3. Non-Mandatory or User Requested Change Initiation. For Non-Mandatory or User Requested Changes, the ABG Form 5A must include a clear and concise description of the change, drawings as necessary to explain what is being requested, and a justification and explanation of the impact if the change were not provided. **Paragraph 8.5.3.1** describes the level of user endorsement required. After review and approval by the PM, FMO obligates funds based on the estimated cost of the change and an Indirect ABG-75 contracting officer submits a signed ABG Form 5A to the Bauamt. The Bauamt processes the change by preparing and/or revising contract specifications and drawings and responds on an ABG Form 5. The ABG Form 5 should contain the same information required for a mandatory change described in **paragraphs 8.5.2.1-8.5.2.3** followed by a similar review and tracking.

8.5.3.1. User Change Request Endorsement. In addition to the providing the required information set forth above, the change requestor shall obtain the endorsements of the key decision makers set forth below. This feature of the user change request process provides a second mechanism for validating user change requests and ensuring appropriate leaders are aware of project execution impacts. Change request endorsements and submitting signatures are required from the following persons at the stages listed:

8.5.3.1.1. Project Definition-65% Design: Endorsement: The requesting organization's assigned Project Officer. Submitting Signature: The Indirect ABG-75 contracting officer after review and approval by the PM.

8.5.3.1.2. 65% Design to 10% Construction: Endorsement: The requesting organization's Flight Commander or staff equivalent. Submitting Signature: The Indirect ABG-75 contracting officer after review and approval by the PM.

8.5.3.1.3. 10%-80% Construction: Endorsement: The requesting organization's Squadron Commander, Deputy, or staff equivalent. Submitting Signature: The Indirect ABG-75 contracting officer after review and approval by the Programs Flight Chief.

8.5.3.1.4. **80%-100% Construction (Red Zone):** Endorsement: The requesting organization's Squadron Commander or Deputy. Signature: The Indirect ABG-75 contracting officer after review and approval by the BCE.

8.5.4. **Change Order Tracking.** PMs shall develop and maintain a tracking sheet for all mandatory and non-mandatory/user changes. At a minimum, the tracking sheet shall include:

8.5.4.1. The change order number (common to U.S. and Bauamt) and description.

8.5.4.2. The original requested amount. (May be ROM estimated amount if precise cost information is not available from the Bauamt).

8.5.4.3. The final negotiated amount.

8.5.4.4. The root cause according to the following categories:

8.5.4.4.1. **Engineering Change.** A change necessary to remedy deficiencies in contract plans and specifications, including changes resulting from design errors (A-E Liability) – Code 1.

8.5.4.4.2. **Missing from Specification.** Self explanatory – Code 2.

8.5.4.4.3. **Bauamt Coordination Issue.** Because the Bauamt may assume the role of a general contractor for Trade Lot contracts (Reference [paragraph 8.2.2](#) regarding USAFE policy on trade contracts), there may be changes directly attributed to a lack of properly coordinating work – Code 3.

8.5.4.4.4. **User Requested Change.** Self explanatory – Code 4.

8.5.4.4.5. **Differing Site Condition.** Subsurface or other latent physical conditions at the site which differ materially from those indicated in the contract or unknown, unusual physical conditions at the site which differ materially from those ordinarily encountered and generally recognized as inhering in work of the character provided for in the contract – Code 5.

8.5.4.4.6. **Variation in Estimated Quantities.** A change order submitted by the Bauamt to balance line item quantity overruns/underruns. These may also be used to adjust specific line item quantities in the original contract – Code 6.

8.5.4.4.7. **Value Engineering Change.** A change Order that results in reducing the contract price or estimated cost without impairing essential functions or characteristics – Code 7.

8.5.4.4.8. **Administrative Change.** A change Order that does not affect substantive rights of the parties (e.g., a change in paying office, appropriation data, contractor/Bauamt address, funding change, etc.). The change must be for no cost and no time extension – Code 8.

8.5.4.4.9. **Miscellaneous Change.** A change not fitting other categories – Code 9.

8.5.4.5. Initial liability recommendation from the following categories:

8.5.4.5.1. Accept responsibility and agree to settled amount – Code G.

8.5.4.5.2. Accept responsibility, but dispute costs – Code Y.

8.5.4.5.3. Deny responsibility and review for possible third party claim – Code R.

8.5.4.5.4. Defer decision for legal and contracting review – Code Z.

8.5.4.5.5. Variation in estimated quantities greater than or equal to 10% needing validation/quantity take-offs – Code O.

8.5.4.5.6. Design omission and U.S. obligation because the U.S. would have paid if it had been included in the original contract – Code L.

8.5.4.6. Date received, approved and sent to the Bauamt.

8.5.5. Project Cost Control. Project Managers will also maintain a spreadsheet to track contingencies available on the project to assure statutory or regulatory funding violations do not occur. Coordination should be made among the Project Delivery Team (PDT) members at the start of the project to confirm the award amount, the program amount, contingencies available for changes, Design During Construction (DDC), any additional services that may be required and fee rates (Bauamt fees), that may be funded from available contingencies. If it appears additional funds will be required, the PM coordinates a request for funds.

8.5.6. Procedure for Unilateral Changes. Every effort will be made to reach agreement with the Bauamt on the price and time adjustment before change order work proceeds. If an agreement cannot be reached and it is necessary to proceed, the contracting officer will issue a written order to the Bauamt stipulating that the contract price (and additional time, if any) will be adjusted in the amount of the Government's Estimate. Unilateral Changes are only employed on Direct procedure contracts and only when timely conclusion of a negotiated settlement is not possible or there is a delinquent proposal for the proposed work. Unilateral changes may not be used under the Indirect procedure.

8.6. Payments for Variations in Estimated Quantities. Construction contracts in Germany rely extensively on line item estimated quantities. In certain circumstances where the overruns included in a contractor's invoice are offset by underruns in other line items and current authorization, the PM can recommend their designated and appointed Certifying Officer make payments on the invoice. It is not necessary to deobligate funds due to underruns prior to fiscal contract completion since these underruns may be offset by overruns on other line items. When current contract value is projected to be exceeded by a preponderance of overruns, a modification must be issued by the Bauamt prior to commencement of the work.

8.6.1. Order of Precedence. Specifications are written instructions concerning project requirements. Drawings show and visually describe what is to be built, with the specifications describing how the project shall be constructed and the ending results. Anything mentioned in the technical specifications and not shown on the drawings, or shown on the drawings and not mentioned in the technical specifications, shall not have the like effect as if shown or mentioned in both. When there are inconsistencies between drawings and specifications, the specifications should be followed; however, court decisions in Germany have stated that on a case by case basis, the more detailed document governs. Reference VOB Part B, Section 1.2, in the event of inconsistencies in the contract. Its separate parts shall take precedence in the following order:

8.6.1.1. The specification.

8.6.1.2. The special conditions of the contract.

8.6.1.3. Any supplementary conditions if the contract.

8.6.1.4. Any supplementary technical specifications.

8.6.1.5. The general technical specifications for construction contracts (DIN 18299).

8.6.1.6. The general conditions of the contract relating to the execution of construction work (VOB).

8.6.2. The principles and procedures described in [paragraph 4.6](#) for Direct procedure contracts are valid for Indirect procedure projects, except that the Bauamt exercises contract administration through the VOB Part B, Section 2.3. At the start of the project and in conjunction with the Bauamt, the PM shall establish a reliable exchange of quantity measurements and tabulations of overruns/underruns to ensure that the overall project amount is not exceeded. As the major phases of work are completed, finalization of those quantities is beneficial in working toward early resolution of final quantities and invoice amounts. The same payment restrictions for Indirect procedure projects apply to Direct procedure projects.

8.7. Invoice Payment. Timely invoice payment is vital to effective project management since the performing contractor is due interest if an invoice is paid late. Indirect procedure projects require payment within 30 German workdays (excludes Sundays and German Holidays), based on the guidelines established by ABG-75. All work performed and properly presented (invoiced) is transmitted from the Bauamt on an ABG Form 8. The Accountable Official (typically the PM) most familiar with the work critically reviews in detail the project's partial payment invoices received from Bauamt. The Accountable Officer then submits a memorandum documenting the review and recommendation for payment, along with the invoice, to the Certifying Officer for funds verification, certification and payment.

8.7.1. The BCE shall thoroughly review the invoice to ensure that all work billed for was actually accomplished, in-place, acceptable and that all change orders included in the invoice have been submitted to, reviewed and approved by the contracting officer. Payments are not authorized for change orders the contracting officer has not approved.

8.7.2. In accordance with the VOB, line item overruns (exceedances) on an indirect unit priced contract should be included for payment when all of the following conditions are met:

8.7.2.1. The work is performed and the overrun is not the result of a pending change order (unapproved ABG Form 5 or 5A) to the contract.

8.7.2.2. There is a specific unit price item for the work involved and the current authorization and funds are not exceeded (current contract value)

8.7.2.3. If the overruns included in the contractor's invoice are offset by underruns in other contracted items and current authorization and funds are not exceeded, additional funding is not required. Under these circumstances, the BCE may recommend payment on the invoice. It is not necessary to deobligate funds due to underruns prior to fiscal current contract completion since these underruns may be offset by overruns in other line items. When the current contract value is projected to be exceeded by a preponderance of overruns, a modification should be issued by the Bauamt prior to commencement of the work.

8.8. Project Acceptance and Turnover. Article 14, ABG-75 provides that the U.S. shall accept completed facilities within 12 work days following notification by the Bauamt that the

project is complete and offered to be handed over. The 12 work day period can be extended for cogent reasons by the U.S. upon written justification. Project acceptance and turn-over is preceded by a final joint inspection of the facility with results documented by the Bauamt on the ABG Form 7. The BCE is responsible for coordinating final/partial turnover meetings with the Bauamt and the User. Base PMs conduct final/partial turnover meetings accepting all or portions of the completed project and identifying and ensuring correction of defects and deficiencies. BCE personnel will prepare a deficiency/punch list for all items requiring corrective action, including missing as-built drawings and operation and maintenance manuals.

8.8.1. Construction Deficiencies. If discrepancies are found during the inspection, the BCE prepares a list of them and attaches it to the ABG Form 7. The Bauamt must explain under Part 5 of the form the remedial action planned to correct discrepancies. In case of major defects or deficiencies (rendered unacceptable or not suitable for use), the U.S. may refuse to accept a project. In these instances Part 3 of the ABG Form 7 form is completed with the reason for refusal documented in Part 4.

8.8.2. Final Inspections. All final inspections will be attended by appropriate U.S. personnel designated by the BCE.

8.8.3. Estimated Quantities. Most contracts written in Germany use estimated quantities and final measurements are taken by the contractor and verified by the Bauamt after final inspection, acceptance, turnover and all contract modifications have been signed. Approvals of the actual quantities used form the basis for the final ABG Form 8. Contractor falsification of project quantities constitutes a criminal offense in Germany. Therefore, this process often takes some time due to the serious consequences for providing inaccurate quantities.

8.9. Deliverables at Turnover. Article 7.7.1 of the Implementing Instructions to ABG-75, requires certain items be delivered to the U.S. at project turnover or shortly thereafter. The specific items are detailed in Section H of the German instruction entitled "Directives for the Accomplishment of Federal Construction" (Richtlinien fuer die Durchfuehrung von Bauaufgaben des Bundes im Zustaendigkeitsbereich der Finanzbauverwaltung), known as the RBBau. The BCE shall ensure that all items are turned over for projects under their responsibility. Projects will not be financially closed until all items are delivered.

8.10. As-Built Drawings and Operations & Maintenance (O&M) Manuals. The U.S. Forces are entitled to receive complete as-built drawings in both English and German 12 calendar days prior to project turnover, if specifically requested. The contractor is also required to provide the U.S. Forces with O&M manuals in both English and German at project turnover. For projects with phased turnovers, the O&M manuals related to each phase shall be delivered by the Bauamt to the BCE at turnover of that phase, with an ABG Form 7 prepared at the completion of each phase.

8.11. Construction Costs Payments

8.11.1. ABG Form 8-Construction Costs. The Bauamt will send an ABG Form 8 to a U.S. certifying officer for partial or final payment. The certifying officer ensures contractor invoices are reviewed and accepted by the GCA, the BCE or the MAJCOM Project Manager and the financial management office. The certifying officer signs the ABG Form 8 and submits it to accounting and finance within four (4) working days after receipt from the

Bauamt. The ABG Form 8 package includes a transmittal letter to the FMO providing appropriate project information with instructions to the FMO to deobligate excess construction funds after final payment is made. Supervision and Administration (S&A) funds remain obligated in support of the final ABG Form 9. Reference [paragraph 8.13](#) for additional comments for final payments. After payment, accounting and finance send the BCE one copy of SF 1034-*Public Voucher for Purchases and Services*. The certifying officer shall control funds and payments on the miscellaneous obligation document (AF Form 406-*Miscellaneous Obligation Reimbursement Document*). Project construction invoices are paid from construction funds.

8.11.2. Receipt of Service Certification. For each invoice (ABG Forms 8 or 9) received, the BCE will certify receipt of services directly on the ABG Forms 8 or 9 by signing the lower right corner of the form. The DFAS will date stamp the invoice or related transmittal letter upon receipt of the certified invoice from the BCE. Upon completion of the work, the BCE submits a receiving report using DD Form 250, *Material Inspection and Receiving Report*, to DFAS or the User if applicable for properly completed payment. SF 1034 is prepared by DFAS and shall be supported by the invoice (ABG Forms 8 or 9) and certified by the BCE.

8.11.3. Payments for Invoiced Work. ABG-75 stipulates simply that U.S. Forces must pay any ABG Form 8 for construction work received. However, if the partial/final ABG Form 8 includes pending construction deficiencies (listed on the ABG Form 7), in coordination with the Bauamt, the BCE can withhold sufficient funds to accomplish the repairs. The Bauamt shall suspend the contractor to correct the deficiencies. If after the second suspension the contractor has still failed to correct the deficiencies, the BCE can request the Bauamt hire an independent contractor to accomplish the work and pay the invoice from the withheld funds.

8.11.4. Timeliness of Payments. Contracts executed by the Bauamt for U.S. funded construction projects provide for partial payments to be made to contractors within 30 working days after receipt of the contractor's invoice by the Bauamt. The Implementing Instructions to the ABG-75 Agreement specify that the payments will be made to the Bundeskasse. The 30 working days are subdivided between the Bauamt and the U.S., with the Bauamt being given ten (10) working days to audit the invoice and submit it to the U.S., the U.S. having 18 working days to review the invoice and execute payment to the Bundeskasse, in English, German Federal Cashiers Office. Finally, the Bauamt then has two (2) working days to transfer the payment to the contractor. Working days exclude Sundays and German holidays; Saturdays and American holidays are not excluded.

8.11.4.1. Final Invoices. To ensure prudent fiscal close out, the BCE shall be familiar with final invoice timelines described below.

8.11.4.1.1. Between the contractor and the Bauamt. According to VOB Part B §3, "Unless otherwise agreed, the final invoice shall be submitted at the latest 12 working days after completion in the case of works which are due to be executed within not more than three months, this period being extended by six (6) days for each three (3) month increase of the period set for execution." In VOB part B §4, "If the contractor does not submit a verifiable invoice, although the client [Bauamt] has set him a reasonable term for doing so, then the client [Bauamt] may draw up the invoice himself at the expense of the contractor." The BCE shall ensure the Bauamt holds the

contractor to these timelines. Below are two examples of how to calculate the time a contractor has to submit a final invoice.

8.11.4.1.1.1. **For a project/contract execution period of 12 months.** The time required for the contractor to forward a final invoice to the Bauamt is 30 working days, calculated as follows: 12 days (for the first three (3) months contract period) plus (six (6) days times three (3)) (for the rest of the nine (9) months; nine (9) months divided by three (3) equals three (3)).

8.11.4.1.1.2. **For a project/contract execution period of 36 months.** The time required for the contractor to forward a final invoice to the Bauamt is 78 working days, calculated as follows: 12 days (for the first three (3) months contract period) plus (six (6) days times 11) (for the rest of the 33 months; 33 months divided by three (3) equals 11).

8.11.4.1.2. **Between the Bauamt and the U.S.** According to Article 25.3 of ABG-75, "Not later than six months after the takeover of the completed construction works [ABG Form 7], the German authorities shall give the Forces detailed accounts which will be supplemented by the original copies of all paid bills." Within these six (6) months, article 25.1.5.2 of ABG-75's Implementing Instructions gives the Bauamt 44 working days to complete their audit and the U.S. up to 24 working days for their review and allocation of funds.

8.11.5. **Recording Payment Data.** BCE approves payments to German vendors via the Bauamt according to the provisions on each ABG Form 3 as modified. Payments are normally made in Euro to the address stated on the invoice/receiving report (ABG Forms 8 or 9). DFAS records the accountability and fund reporting transactions through IAPS (Integrated Accounts Payable System).

8.11.6. **Document Distribution.** BCE furnishes a copy of each disbursement voucher to the office certifying the invoice for payment. The following distribution of ABG Form 8 is required: Copy to project folder; Copies 1, 4 and 5 to FMO; Copy 6 to BCE Financial Resources; Copy 7 to HQ USAFE/A7PC; and, Copies 3, 8, and 9 to the Bauamt.

8.12. ABG Form 9-Administrative Fee Payments:

8.12.1. **ABG Form 9 Form Processing.** The ABG Form 9 should be processed in the same manner as the ABG Form 8, and within 4 working days after receipt of the invoice should be forwarded to FMO for payment. After payment, FMO sends a copy of SF 1034 to the BCE. BCE Financial Resources should use AF Form 406 to control funds and payments.

8.12.2. **Document Distribution.** The following distribution for ABG Form 9 is required: Copy 2 to project folder; Copies 3 and 4 to OFD; Copies 1, 5, and 6 to FMO; and, Copy 7 to BCE Financial Resources (BCE makes copy).

8.12.3. **Cost Accounting.** The BCE establishes procedures to maintain an accounting spread sheet for each type of funds in each project indicating available funds and payments made. Special attention should be given to NAF projects where the exchange rate fluctuates in order to ensure availability of funds.

8.12.4. **Request for Final Invoice.** Within 14 working days after receipt of the final ABG Form 8, the BCE sends a letter to the Bauamt requesting it to initiate action for the final ABG

Form 9. The GCA initiates the final ABG Form 9 to forward to the BCE. The BCE forwards monthly follow-up letters to the Bauamt until the final ABG Form 9 is received.

8.13. Final Project Payment. For each project, there are two types of final payments submitted to the U.S. Forces. Article 25.3 ABG-75, states “not later than six months after the take-over of the completed construction works, the German authorities shall give the Forces detailed accounts.” Detailed accounts include the final ABG Form 8 and the final ABG Form 9.

8.13.1. Final ABG Form 8. The final ABG Form 8 is submitted by the Bauamt after it has received and reviewed all construction costs associated with the project. However, if after three (3) months from construction completion the Bauamt has not provided the final ABG Form 8, the PM shall forward a letter to the Bauamt requesting status of the final ABG Form 8 with monthly follow-ups until the final ABG Form 8 is received. Final payments should not be made for construction invoices (ABG Form 8) until all deficiencies noted on acceptance and turnover document (ABG Form 7) have been corrected. This includes providing O&M manuals and as-built drawings which should be listed on the ABG Form 7 unless turned over with the document. Upon receipt of the final ABG Form 8 the program manager/accountable official instructs the FMO to de-obligate remaining construction funds.

8.13.2. Final ABG Form 9. The final ABG Form 9 invoice is submitted by the Bauamt after they have evaluated all costs associated with the execution of the project (administrative fees, additional services, etc.). Upon receipt and review of the final ABG Form 9 by the BCE, an Indirect ABG-75 contracting officer instructs the FMO to pay the invoice bill if sufficient funds are available or to de-obligate remaining funds, if any, and close out the project. The final ABG Form 9 could result in the need for additional funds to cover the final cost of additional services. In this case additional funds will be required to process the ABG Form 9. If after six months from project completion the BCE has not received the final ABG Form 9, the final administrative fees should be estimated from review of the project records and discussions with the Bauamt project management authorities. If the existing S&A funds exceed the estimated amount, the BCE should direct the base FMO to de-obligate excess S&A funds via a transmittal letter. However, the BCE should continue taking aggressive actions with the Bauamt to obtain a final ABG Form 9. The BCE will document the basis for line item estimated quantity calculations in the project file.

8.13.3. Invoices Submitted After Final Payment. Occasionally the Bauamt may submit an additional invoice for payment to the U.S. Forces after the U.S. Forces had received and paid a final invoice. When this occurs, the program manager/accountable official is responsible for reviewing the submittal for validity. The U.S. may be required to pay the additional invoice if the submittal is for services provided by the contractor or the Bauamt during the actual design and construction period of the project. Questions should be referred to HQ USAFE/A7PC.

8.14. Financial Close-out. VOB Part B, Section 14 explains the contractor’s timing requirement for a final invoice to the Bauamt. Projects physically complete and accepted by the User, but not financially complete, pose a continuing problem. Reviews have found a significant amount of funds can be tied up and idle for years.

8.14.1. Legal Disputes. Contractual disputes between the Bauamt and its contractors are the prevailing reason for the delay of a true financial close-out of a construction project. Article 44 of the SA to the NATO SOFA requires that the authorities of the force or of the civilian

component shall be notified without delay of the lodging of a complaint and shall be consulted at all material stages of the proceedings. In the event of a dispute, AFCEE/CMT and the BCE shall ensure they request and maintain close cooperation with the FfE, namely the GBB, who handle all construction related legal disputes regarding U.S. projects executed under the Indirect procedure to ensure U.S. interests are best represented. Refer to the Administrative Agreement implementing Article 44 of the SA to the NATO SOFA regarding actual settlements. Regarding settlements finalized by a court, the U.S. will bear the costs, including attorney fees, incurred by the German authorities in connection with these lawsuits and in taking actions pertaining to the execution of judgments, decisions, orders, or settlements as a result of such lawsuits to the extent that they constitute necessary costs of attainment of justice (Rechtsverfolgung und Rechtsverteidigung) (Section 91, German Code of Civil Procedure) and provided that their payment can neither be demanded from, nor be enforced against, the other party, and provided, in the latter case, that the bill for expenditure incurred is accompanied by a statement confirming that collection efforts made have failed.

8.14.2. U.S. Procedures. The BCE shall ensure procedures are established to financially closeout projects as quickly as possible. A letter requesting action to submit final ABG Form 8s and final ABG Form 9s shall be sent monthly to the Bauamt listing projects remaining financially open six (6) months following acceptance of the facility via an ABG Form 7. USAFE has established a goal to fiscally close projects 15 months after the acceptance of the facility on an ABG Form 7. Timely financial closure of projects ensures unused construction funds do not expire and are available for MILCON reprogramming to other projects. Financial closure for the Air Force occurs when no obligated funds remain on the project account, no outstanding claims await judgment, and the DD Form 1354, *Transfer and Acceptance of DoD Real Property*, is signed by the BCE ??? and delivered to the BCE. By this definition, unexpended funds may remain on the project as obligated against known bills, even if final payment is pending.

8.15. Warranty Periods. The current VOB warranty period is four (4) years with inspections at four (4) and 45 months. Warranty claims shall be pursued through the Bauamt. As part of the turnover documentation, the Bauamt must provide a list of warranty items and their validity periods. Three (3) months before the end of warranty period, a joint inspection will be held to inspect the items under warranty. The BCE is responsible to notify the Bauamt of the date, time, and place of the inspection. Inspection results are documented by the Bauamt in writing, with copies provided for the project files.

Chapter 9

CONJUNCTIVELY FUNDED NATO CONSTRUCTION

9.1. General. Conjunctive funding is defined as the expenditure of national funds (U.S.) for NATO Security Investment Program (NSIP) projects. Conjunctive funding provides funds for those portions of projects which are U.S. unique requirements in excess of NATO standards, not supported by NATO, and/or not eligible for NSIP funding. Conjunctive funded NATO projects will be delivered through the Bauamt and will not be procured through Direct procedures. All existing procedures within the ABG-75 process will be used by the U.S. Forces for execution of conjunctively funded NATO projects.

9.2. Responsibilities.

9.2.1. **Host Nation.** The host nation will design the entire project, including incorporating the conjunctive funded portion, prepare and award the contract and accomplish construction management.

9.2.2. **HQ USAFE/A7P.** HQ USAFE/A7 oversees the implementation NSIP for USAFE. This includes coordinating program actions with the FMOD and NATO HQ as required. During construction, if issues arise regarding scope issues, HQ USAFE/A7P will assist the BCE in resolving the issue with the host nation and/or with NATO.

9.2.3. **BCE.** For all NATO conjunctively funded projects, the BCE shall ensure preparation of any ABG Form 3s necessary for project execution. For the NATO portion, the BCE shall ensure funds are obligated to make up for any possible lost design involving projects that NATO may not support.

Chapter 10

NONAPPROPRIATED FUNDS (NAF) CONSTRUCTION

10.1. General. Occasionally the U.S. Forces undertakes ABG-75 construction projects which will be funded and paid for by a nonappropriated fund activity, e.g., Services, AAFES, etc. Regulations, policies and program guidance for construction resourced by Nonappropriated funds include AFI 32-1022, *Planning and Programming Nonappropriated Fund Facility Construction Projects*, AFI 34-205, *Services Nonappropriated Fund Facility Projects*, Department of Defense Instruction (DoDI) 1015.15, Table E4.T1, *General Funding Authorizations for NAFI Activities*, DoDI 7700.20, *Commissary Surcharge, Nonappropriated Fund and Privately Financed Construction Policy*, DoDI 7700.18, *Commissary Surcharge, Nonappropriated Fund and Privately Financed Construction Reporting Procedures*, AFI 34-209, *Nonappropriated Fund Financial Management and Accounting*, and AFI 65-106, *Appropriated Fund Support of Moral, Welfare, and Recreation and Nonappropriated Fund Instrumentalities*. Before such projects are undertaken by the BCE, the base and the NAF activity must document the NAF agreement to fund and pay for the construction.

10.2. Recording Obligations. It is the responsibility of the NAF activity funding the project to reserve funds and account for the obligation until payment is required. To ensure the funding agreement clearly obligates the NAF to pay the full cost of the construction project or a portion thereof, if the project includes a companion appropriated fund (APF) piece, the agreement shall, at a minimum:

10.2.1. **Scope.** Comprehensively outline the scope of the construction project. The MAJCOM Services scope change authorities are: two (2) percent for projects up to 10,000 square feet (SF); 1.5 percent for projects above 10,000 SF up to 20,000 SF; and 1 percent for projects over 20,000 SF. AF Agency panel approval is required for scope increases beyond MAJCOM Services approval authority.

10.2.2. **Cost.** Specify the anticipated cost of the project, including Bauamt administrative fees (5.6% for new construction and 7.5% for maintenance and repair) and foreign currency fluctuation. The BCE and the Indirect ABG-75 contracting officer will ensure that contracts are not awarded at a cost exceeding those listed in the agreement. However, the agreement must specify that the NAF activity is responsible for cost increases authorized by ABG-75 and for absorbing any cost associated with foreign currency fluctuation. Any U.S. Dollar portion of a project shall be separately stated in the agreement. MAJCOM cost change authority is up to 10% of the approved amount or \$50K, whichever is greater. Cost increases that exceed project programmed funding are paid with MAJCOM/base funds. AF Nonappropriated Fund Panel approval is required for cost increases beyond MAJCOM approval authority. Any cost increases of 25% or scope changes of 10% plus/minus require approval by Higher Headquarters (HHQ) and Chief of Staff of the Air Force (CSAF) with a Congressional re-report.

10.2.2.1. **Funds Programming.** NAF funding approval amounts and funds allocation are per a DD Form 1391. It is critical that the cost estimates on the DD 1391 section 9 are accurate and all inclusive. Estimates should, at minimum, include Construction/Repair cost (EEIC 52900/52200) with breakout for contingency, AT/FP,

environmental, HVAC and landscaping (as applicable). They must also include Design, Additional (secondary) Services for design and construction phases (Reference [paragraphs 6.2.1.2.1](#) and [6.2.1.2.2](#)), S&A and Furniture, Fixtures and Equipment (FF&E) estimates. The BCE shall use the NAE schedule ([Attachment 7](#)) when computing Bauamt 5.6 percent / 7.5 percent administrative fees, i.e., 5.6 percent (new construction) or 7.5 percent (maintenance and repair) which attributes 45 percent of the fees to S&A and the remaining 55 percent to Design. Additional services should be based on historical averages, taking into consideration known requirements, such as soil testing, surveys, re-forestation fees, etc. (Reference [paragraph 6.2.1.2](#)). Unfunded costs, such as Furniture, Fixtures and Equipment (FF&E) and Intrusion Detection System (IDS), shall be noted on the DD Form 1391.

10.2.3. Funds Obligations/Invoicing. The BCE will provide funds obligation and invoice payment requests with DD Form 250, *Material Inspection and Receiving Report*, to the NAF activity at the address listed on the agreement. The NAF activity will process electronic funds transfer to the Bundeskasse on invoices (ABG Forms 8 or 9) certified by the BCE within five (5) working days after receipt of the certified invoice. Working days for this purpose exclude Sundays and German holidays, but include Saturdays and American holidays.

10.2.4. Signature. The agreement shall be reviewed and signed by the BCE and the NAF Certifying Official authorized to obligate NAF project funds.

10.3. Construction Orders and Modifications. The BCE executes the necessary requests, approvals, and obligation documents subsequent to receiving the funding agreement. The NAF activity funding the project shall be cited on ABG Forms 3, 4, 5A, and 6 in the blocks reserved for “Forces Internal Accounting Data/Fuer interne Buchungszwecke der Streitkraefte.” The BCE shall submit a copy of each ABG form executed to the NAF activity for final approval and funds obligation. The BCE shall maintain a detailed listing of changes IAW **Chapter 8.5** of this instruction. The BCE shall provide the modification tracking document to the NAF activity monthly via electronic transmission. Funds management will record contract amounts.

10.4. Invoices. The Bauamt submits invoices (ABG Forms 8 and 9) directly to the BCE. The BCE is required to validate each invoice, certify it for payment, and deliver it, along with DD Form 250, *Material Inspection and Receiving Report*, to the NAF activity designated in the funding agreement within seven (7) working days. A transmittal letter should accompany the certified invoices requesting payment directly to the Bundeskasse (German Federal Bank) account cited in the invoice within five (5) working days. If an invoice contains non-RPIE (real property installed equipment), the BCE should flag the invoice as such or include the breakout amount for the non-RPIE portion to ensure the amount is accurately expensed against equipment and excluded from the real property records and the Congressional reportable amount.

10.5. Project Management Plan. The BCE shall work with and provide a PMP for project oversight/execution to the NAF activity no later than contract award, IAW **Chapter 5.4** of this instruction. The BCE will provide the NAF activity a project execution timeline with a milestone completion schedule.

Chapter 11

MISCELANEOUS ISSUES

11.1. Construction Projects for Other DoD Agencies. USAFE may perform construction work for other DoD agencies from time to time. The requesting agency forwards a DD Form 448-*Military Interdepartmental Purchase Request (MIPR)* to the local BCE tasked to perform the work. The MIPR references the fund certification of the requesting agency. The BCE will acknowledge acceptance of the MIPR by means of DD Form 448-2-*Acceptance of MIPR*. The BCE also prepares a manual AF Form 9 from the information provided for forwarding to HQ USAFE/A7P and requests the Bauamt to award the project based upon receipt of the AF Form 9.

11.2. Requirements and Management Plan (RAMP). AFI 32-1023 mandates the use of RAMPs for MILCON projects to fully document User and base requirements and to guide the design and construction process. The RAMP is intended to fully communicate facility needs to the Design Agent/Construction Agent (DA/CA) early in the design process to ensure MILCON design goals and milestones are achieved.

11.2.1. Composition. RAMPs consist of two components: a Requirements Document (RD) and a Project Management Plan (PMP). Projects should be closely managed by the PM in accordance with the RAMP, as careful planning is always the key to successful execution. The RAMP is the fundamental document presenting the concept for project execution. It addresses such topics as contracting strategy, processing User-requested changes, meetings, status reporting, key Project Delivery Team (PDT) membership, and roles and responsibilities. The RAMP is developed and maintained by the BCE with a level of detail appropriate to the size and complexity of the project. Guide RAMPs from previous USAFE projects are available as reference templates. A RAMP checklist is provided at Appendix 1 of the USAF Project Manager's Guide for Design and Construction.

11.2.2. Requirements Document (RD). The purpose of the RD is to provide designers a thorough basis for understanding the User's functional and technical requirements. Active participation of the User as a member of the PDT through all phases of design and construction is vital to ensure the facility satisfies all mission requirements. The RD must accurately define the project scope and the facility and site requirements to ensure a complete and accurate DD 1391. Typical RD table of contents include following major topics:

11.2.2.1. Project Description (narrative and space requirements, user equipment, special requirements)

11.2.2.2. Area Development Plan (facility siting and compatibilities)

11.2.2.3. Environmental Considerations

11.2.2.4. Requirements Document Agreement

11.2.2.5. Attachments—DD Form 1391; maps, plans and special studies; sketches and photos; design guide references and design standards

11.2.3. Summary. The RAMP identifies all aspects of the scope of MILCON projects. It also establishes a management plan to carry out a project. When fully developed, the RAMP becomes a teaming agreement between the Air Force and the Design and Construction

Agent. Formalizing the relationship between all Air Force participants and the DA/CA adds discipline to the design and construction process. A comprehensive RAMP for any project can be generated only through full and open discussion between the USAFE or base PM and the User.

11.3. Construction Quality Assurance. Members of the Project Delivery Team (PDT) should become familiar with the project Quality Assurance Plan and, for Direct projects, the Contractor's Quality Control plan. The Project Manager shall consistently stress the importance of effective inspection, the key to quality construction requiring technical knowledge, tact and sound judgment. The PM reinforces a climate of fair and reasonable cooperation, ensuring inspections and site visits serve to check adherence of the work to the contract plans and specifications.

11.3.1. Three-Phase Inspection Process. The principles of the three-phase inspection system (Preliminary, Initial and Final) shall be employed by the BCE on Indirect procedure projects. The three-phase inspection system, starting at the inception of each phase of work, is particularly effective in preventing minor deficiencies from magnifying as the work progresses. The PM ensures the contractor maintains an adequate inspection system and performs inspections as necessary to fully comply with contract requirements. For Direct procedure projects, the PM ensures the contractor is held responsible for fully complying with the Quality Control plan and ensures proper records are kept of the contractor's inspection coverage.

11.3.2. Indirect Procedure Projects. For Indirect contracts, the Bauamt may not have an organized Quality Control Program other than the testing required by the VOB. The PM shall make every effort to ensure the contractor provides reports in pace with the progress of construction. The PM should become familiar with these VOB requirements, which are similar to those required by Direct procedure projects. In order to assist QA efforts on Indirect projects, the PM should prepare a QA plan to identify critical features of the work requiring U.S. review and inspection. The plan should be tailored to the project and reflect the methods, techniques and practices to utilize in ensuring delivering a quality product. Critical features of the plan include those materials or items of equipment representing special requirements of the User which must be met for the project to be usable. The PM advises the Bauamt representative and informs him when work is not being performed by the contractor in accordance with the terms of the contract, and documents deficiencies in daily reports with photos and corrective actions taken.

11.3.3. Direct Procedure Projects. For Direct contracts, the PM advises the contractor's Quality Control Manager of identified deficiencies and necessary corrections to the QC process.

11.4. Project Communications. Communications within the Project Delivery Team and key stakeholders are essential to project success. The Project Manager coordinates with the local BCE and the User as often as necessary to provide updates of the status of the project. Such matters as road closings, gate closings or scheduled utility outages require careful coordination between various base organizations. The PM ensures the Bauamt/contractor will not commence this type of work without proper coordination and approval of the BCE. The BCE shall have detailed plans and schedules in place that may be necessary in order to have a smooth transition between power outages.

11.4.1. Importance of Formal Communications. The protocol of regularly scheduled coordination meetings generally holds greater contractual authority with most Germans than is typically the case with Americans. This situation makes it vitally important that meeting minutes be carefully reviewed and with a mutual understanding between the Bauamt and BCE to ensure that information is accurate and acceptable as recorded. Meeting minutes frequently serve as the parties' means to "provide notice" to each other, when the more common American business practice is to present notice via separate signed correspondence or formal change order documentation. Project managers must be aware that what one party may regard as notice, unless challenged, may be interpreted as acknowledgement or acceptance and may result in the commitment of project funds. Language and cultural barriers within the Project Delivery Team compound the problem of differences in contract interpretations and construction practices.

11.4.2. Protocol Meetings. It is customary in Germany for key parties to attend protocol meetings, normally held weekly. The purpose of these meetings is to monitor project progress, and discuss problems and find solutions. The BCE shall ensure the proceedings are recorded in meeting minutes by the Bauamt for Indirect projects and BCE staff for Direct projects. Minutes are maintained with corrections noted at the next meeting. Protocol minutes may become legal documents, so it is imperative the minutes accurately detail the items discussed and the decisions made. The following topics should be discussed:

11.4.2.1. Previous problems still requiring decision.

11.4.2.2. Future conflicts or potential problems. (Use of contractor generated 'Requests for Information' is encouraged).

11.4.2.3. The work scheduled for the following week and month.

11.4.2.4. The status of technical submittals.

11.4.2.5. The status of change orders.

11.4.2.6. Quality Assurance issues.

11.4.2.7. Project safety.

11.4.4. Executive Review Meetings. The BCE shall conduct line item reviews of all current projects on the base with the Bauamt counterpart once every four months. Special attention should be given to sensitive, complex, or critical projects.

11.4.5. Customer Concept Document (CCD). The CCD is an extension of the DD 1391 program and the key to effective pre-design MILCON planning and project risk mitigation. The document provides a bridge between the DD 1391 and 35% design stages and, as an established business practice, produces demonstrated successful results. Typically completed two to four years in advance of the year of execution, the O&M funded document ensures the project fully supports Command mission requirements. The KVM-Bau is essentially the equivalent of the CCD, and addresses difficult planning issues early in project development and refines the Requirements Definition supporting the "official 1391". HQ USAFE/A7P policy encourages the use of pre-planning documentation to achieve Commander and User endorsement of the design solution and as a means to reduce changes, thereby controlling cost and schedule growth. CCDs provide added value by: a) reviewing and confirming planning considerations identified in the RAMP, b) documenting results of design charrette

meetings with functionals and Users, c) identifying Value Engineering opportunities, d) outlining sustainable development and AT/FP criteria, and e) identifying key milestones for new mission projects.

11.5. Project Safety. Project safety is generally a Host Nation responsibility, with U.S. Forces supplementing that effort by bringing deficiencies to the attention Bauamt when observed, and encouraging visits by the State Safety Inspection Office. Job safety is of prime importance and the enforcement of safety is everyone's responsibility. Safety requirements for U.S. construction in the Republic of Germany are based on both German and U.S. regulations, with the most stringent regulations taking precedence. On Direct contracts, the contractor will submit a Safety Plan for review by the Project Manager. Safety shall be addressed at the pre-construction meeting and routinely at the job-site. Should immediate danger to life exist, the senior U.S. representative on site has the authority to immediately stop the work in that particular area. All accidents should be immediately reported through the chain of command. Unsafe acts or safety violations on Indirect projects should be brought to the immediate attention of the responsible Bauamt by the BCE.

11.5.1. State Safety Inspection Office. The State Safety Inspection Office (Bau-Berufsgenossenschaft or BBG) is available to conduct safety audits of work sites. The BCE should request the BBG to visit the site early in construction and revisit it again as necessary, but at least quarterly. The major safety agencies have the authority to fine personnel for safety regulation violations.

11.6. Project Close Out (Red Zone). Provides background and current requirements for timely construction project completion and financial close out.

11.6.1. Background Discussion. The "Red Zone" concept for project close-out receives wide acceptance across the Air Force and Corps of Engineers as a recognized business practice. The goal of the Red Zone meeting is to construct a milestone activities schedule to reach project completion and closeout within 120 calendar days of beneficial occupancy. The Construction Agent PM co-chairs the Red Zone meeting with the USAFE or base PM with the full PDT. The meeting's purpose is to direct discussion of project elements and reach consensus on remaining project activities. Red Zone team members identify remaining tasks, assign action item champions, and construct a milestone schedule for achieving project completion and financial closeout.

11.6.3. Process. Project closeout is a function involving the entire PDT and all interested stakeholders. The strategy for final project completion should be addressed in the Project Management Plan. A "Red Zone" meeting is held at the base 60-90 calendar days prior to BOD to coordinate actions and define responsibilities and includes the Construction Agent PM, the USAFE or base PM, the BCE, the supporting agency (Communications, Security Force, Environmental, Safety, Airfield Management), the customer, and the construction contractor representatives. At the initial briefing, the PDT fills in the gaps in the agenda milestone slides. This approach brings all shareholders on-board to control mission creep on project requirements and to impose a measured discipline to the process. The process supports partnering and facilitates the working relationship of the construction contractor with the entire PDT.

11.6.4. Summary. Project completion and closeout has not traditionally received the same level of interest as project start-up. Formalizing the Red Zone project closeout process

strengthens team commitment and enhances communication, defining the path to successful project completion and customer satisfaction. An “execution charrette” approach instills discipline into an otherwise haphazard process. The Red Zone is business practice that results in clear understanding of work required for completion, while fostering strong teamwork and commitment.

11.7. Project Deferrals and Cancellations. The following USAFE policies for deferred design, design terminations, and project cancellations have been established. The BCE is responsible for the settlement of all fees to the Bauamt. When a project is cancelled, the most current information addressing the price will be used in determination of the final payment for administrative fees (e.g., the HU-Bau, the AFU-Bau, the low bid, etc.).

11.7.1. Deferred Designs. Deferred designs are those receiving notification directives to stop current action during the design or tender cycle. After the expiration of 12 months, partial invoices are honored by the BCE from the Bauamt to cover “proportionate” costs for administrative fees. If the BCE receives the notification of design deferral between major milestones, the design is carried out to the next major milestone before ordering a work stop. If the BCE is subsequently given the directive to proceed with the design, additional costs may be incurred to start work, depending on the length of time since the design deferral or other factors. Additional costs are referred to as “lost design effort.” The total design fee to be paid is a negotiated amount between the U.S. and the Bauamt.

11.7.2. Design Termination. The BCE’s decision on whether to terminate design immediately or to wait until the completion of the next design milestone is dependent on whether the design is being prepared by the Bauamt in-house or whether it is being prepared by an A-E. If the design is being prepared by an A-E, a stop work order is issued by the BCE immediately upon receipt of the notification. If the design is being prepared in-house by the Bauamt, the BCE will allow the Bauamt to proceed to the next milestone. If the design is cancelled when it is being prepared by the Bauamt, fees payable are based on “proportionate” costs. If the design is cancelled when it is being prepared by an A-E, fees will amount to the actual costs (Ist-Kosten) of the A-E, not to exceed 5.0% or 7.0%, depending upon the value of the project, plus 0.6% or 0.5%, respectively, if translation services are involved, plus the actual cost of the additional services.

11.7.3. Project Cancellation. Cancelled construction projects are those terminated after the BCE has issued construction Notice to Proceed. The method of determining fees payable to the Bauamt in these cases is described in Article 24.1.2 and Article 24.2, ABG-75, and in the respective sections in the ABG-75 Implementing Instructions.

11.8. Project Folders. Good project documentation is essential and should be given priority in the daily actions associated with each project. The project folder provides up to date facts on the project. The folder’s first function is to display the project’s vital signs—quality, schedule, and cost- at all phases of development and execution. The folder organizes the enormous amount of detail associated with projects. The ABG-75 documents and supporting information, to include planning, programming, design, contracting, construction and financial management, shall all be addressed in the project folder.

11.8.1. Folder Contents. Each project shall have a central, readily acceptable folder containing all key documents. The total project documentation may be located in several areas, but any key document not located in the project folder shall be referenced in the folder

with its location. However, all officially signed (and/or countersigned) ABG documents must be centrally located in the ordering folder, preferably in Section A. Key documents include ABG forms (ABG Forms 3, 4, 5, 5A, 8 and 9), design reviews (functional, technical, maintainability/reliability, etc.), related conference reviews (pre-design, preconstruction, etc.), specifications, drawings, statement of work, status reports, site inspections, change request, and other documents which support the project from design to financial close-out.

11.8.2. Folder Layout. The suggested folder layout for ABG-75 documents for projects procured under the Indirect procedure is provided at [Attachment 6](#).

11.9. Prescribed and Adopted Forms. This instruction has no prescribed forms. This instruction adopts Air Force, Department of Defense, USAFE and ABG-75 specific forms. For downloading the ABG-75 adopted forms and associated flow charts outlining numbers of copies and offices involved in the joint U.S. and GCA approval, please refer to [Attachment 3](#) of this instruction.

11.9.1. Adopted ABG-75 Forms:

11.9.1.1. U.S. Generated Forms:

ABG Form 1, *Program of Construction Projects for the US Forces*

ABG Form 2, *Letter of Intent for Direct Procedure*

ABG Form 3, *Intergovernmental Construction Order*

ABG Form 5A, *US Forces Change Request*

ABG Form 6, *Order Document for Term Construction*

11.9.1.2. Bauamt Generated Forms:

ABG Form 4, *Tender Acceptance Form*

ABG Form 5, *Change Order Document*

ABG Form 7, *Joint Minutes*

ABG Form 7B, *Record of the joint final inspection of construction work executed by the US Forces using the Direct Procedure*

ABG Form 8, *Construction Costs*

ABG Form 9, *Administrative Fee*

EVM/B, *Vertragsbedingungen (Contract Conditions)*

11.9.2. Adopted US Forms:

AF Form 9, *Request for Purchase*

AF Form 332, *Base Civil Engineer Work Request*

AF Form 406, *Miscellaneous Obligation Reimbursement Document*

AF Form 847, *Recommendation for Change of Publication*

AF Form 1477, *Construction Inspection Record*

DD Form 250, *Material Inspection and Receiving Report*

DD Form 577, *Appointment/Termination Record – Authorized Signature*

DD Form 448, *Military Interdepartmental Purchase Request (MIPR)*

DD Form 448-2, *Acceptance of MIPR*

DD Form 1354, *Transfer and Acceptance of DoD Real Property*

DD Form 1391, *Military Construction Project Data*

SF 1034, *Public Voucher for Purchases and Services*

USAFE Form 307, *Project Review Comments*

USAFE Form 307B, *Project Review Comments (Continuation Sheet)*

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Attachment 1**GLOSSARY OF REFERENCES AND SUPPORTING INFORMATION*****References***

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Abbreviations and Acronyms

AAFES—Army & Air Force Exchange Service

ABG-75—Auftragsbauten Grundsätze/Principles of Construction Contracting 1975

ACES-PM—Automated Civil Engineer System-Project Management module

A-E—Architect-Engineer

AFCEE—Air Force Center for Engineering and the Environment

AFCESA—Air Force Civil Engineer Support Agency

AFI—Air Force Instruction

AFMAN—Air Force Manual

AFPD—Air Force Policy Directive

AFRC—Air Force Reserve Command

AFRIMS—Air Force Records Information Management System

AFU-Bau I—Ausführungsunterlage-Bau; 90-95% Final Design Submittal

AFU-Bau II—Ausführungsunterlage-Bau; 100% Design Tender Action

ANG—Air National Guard

APF—Appropriated Funds

AT/FP—Anti-Terrorism/Force Protection

BBG—Berufsgenossenschaft der Bauwirtschaft (State Construction Site Safety Office)

BCE—Base Civil Engineer

BImA—Bundesanstalt für Immobilienaufgaben (Federal Institute for Real Estate Management)

BMVg—Bundesministerium der Verteidigung (See FMOD)

BMVBS—Bundesministerium für Verkehr, Bau und Stadtentwicklung (See FMOC)

BOD—Beneficial Occupancy Date

CCD—Customer Concept Document

COE—Army Corps of Engineers

CO—Contracting Officer

CSAF—Chief of Staff of the Air Force

CWE—Current Working Estimate

DA/CA—Design Agent/Construction Agent

DAO—Departmental Accountable Official

DeCA—Defense Commissary Agency

DDC—Design During Construction

DFAS—Defense Finance and Accounting Service

DIN—Deutsches Institut für Normung (also known as the German Institute for Standardization)

DM/CM—Design Manager/Construction Manager

DODDS-E—Department of Defense Dependant Schools-Europe

DoD—Department of Defense

DoDI—Department of Defense Instruction

ED—EUCOM Directive

EEIC—Element of Expense/Investment Codes

EIAP—Environmental Impact Analysis Process

EUCOM—United States European Command

EUD—Corps of Engineers, Europe District

FAR—Federal Acquisition Regulations

FfE—Fachaufsicht führende Ebene/Agency Responsible for Technical Oversight. (Reference [paragraph 3.2](#))

FF&E—Furniture, Fixtures and Equipment

FMO—Base Financial Management Office

FMOC—Federal Ministry of Transportation, Construction, and Urban Development (See BMVBS)

FMOD—Federal Ministry of Defense (See BMVg)

FRG—Federal Republic of Germany

GBB—Geschäftsbereich Bundesbau (OFD's Federal Building Division in the State of Rheinland-Pfalz). See FfE.

GCA—Refers to various levels of German Construction Authority. (Reference [paragraph 3.2](#))

GFE—Government Furnished Equipment

GFM—Government Furnished Materials

GSU—Geographically Separate Units

HHQ—Higher Headquarters

HN—Host Nation

HQ USAFE/A7P—HQ USAFE Programs Division

HU-Bau—Haushaltsunterlage-Bau; ~35% Concept Design

HVAC—Heating, Ventilating and Air Conditioning

IAPS—Integrated Accounts Payable System

IAW—In Accordance With

IDS—Intrusion Detection System

KVM-Bau—Kostenvoranmeldung-Bau; ~15% Pre-Concept Design

LBB—Landesbetrieb Liegenschafts- und Baubetreuung (Real Estate and Building Support Agency in the State of Rheinland-Pfalz, also considered the Bauamt). (Reference [paragraph 3.2](#))

MAJCOM—USAF Major Command

MILCON—Military Construction

MIPR—Military Interdepartmental Purchase Request

MFH—Military Family Housing

NAF—Nonappropriated Funds

NAE—National Administrative Expenses

NATO—North Atlantic Treaty Organization

NFPA—National Fire Protection Agency

NSIP—NATO Security Investment Program

NTP—Notice to Proceed

O&M—Operations and Maintenance

OFD—Oberfinanzdirektion-Koblenz (Regional Finance Office (See GBB)

P-341—MILCON Funded Minor Construction

PDT—Project Delivery Team

PM—USAFE Project Manager

PMP—Project Management Plan

PoS—Protocol of Signature

Prime BEEF—Prime Base Engineer Emergency Force

QA—Quality Assurance

QC—Quality Control

RAMP—Requirements and Management Plan

RED HORSE—Rapid Engineer Deployable Heavy Operational Repair Squadron Engineers

RD—Requirements Document

RDS—Air Force Records Disposition Schedule

ROM—Rough Order of Magnitude

RPIE—Real Property Installed Equipment

RTA—Ready to Award

S&A—Supervision and Administration

SA—Supplementary Agreement

SABER—Simplified Acquisition of Base Engineering Requirements

SF—Square Feet

SOFA—Status of Forces Agreement

SOW—Statement of Work

SSF—Sending State Force (U.S., Canada, UK, Belgium, France, and the Netherlands)

UFC—Unified Facilities Criteria

UOO—Undelivered Order Outstanding

USAFE—United States Air Forces in Europe

USAREUR—United States Army Europe

USC—United States Code

UVPg—Umweltverträglichkeitsprüfung (Environmental Impact Assessment)

VHB—Vergabehandbuch fuer die Durchfuehrung von Bauaufgaben des Bundes im Zustaendigkeitsbereich der Finanzbauverwaltung (Manual on Financial Management of Federal Contracting in Germany)

VOB—Vergabe- und Vertragsordnung für Bauleistungen (German Construction Contract Procedures)

Attachment 2

***RESERVED FOR HQ USAFE/A7K ABG-75 CONTRACTING OFFICER PROCEDURES
GUIDE***

Attachment 3

ABG-75 FORMS

A3.1. Below is a complete list and general description of the purpose of the **forms** used within ABG-75. ABG-75 forms are maintained and available on the German Ministry of Transportation, Construction, and Urban Development's website at www.abg-plus.de/abg2/ebuecher/abg_us/downloadber.htm for downloading.

A3.2. Refer to the latest ABG-75 **flow charts** detailing the numbers of copies and steps needed for approval. Formal flow charts associated with the ABG-75 forms are found at www.abg-plus.de/abg2/ebuecher/abg_us/Anlage2-Abl.htm.

A3.3. ABG Form 1 (Program of Construction Projects for the U.S. Forces)—Annual submittal to the FRG of the USAFE expected construction program forecasted for the next two fiscal years. This form is used by the German government to adjust its resources to accomplish U.S. Forces work. The form also provides the German government a notice on the proposed method of design and construction (e.g. Indirect or Direct procedure). This form is just a planning document and not a construction commitment. *U.S. Forces generated form.*

A3.4. ABG Form 2 (Letter of Intent for Direct Procedure)—Reference ABG-75 Article 27 and Protocol of Signature to ABG-75 Article 27 Paragraph 2 for instances where the U.S. are authorized to and can request to execute construction with own forces and/or contracts. *U.S. Forces generated form.*

A3.5. ABG Form 3 (Intergovernmental Construction Order)—Also titled the *Request/Approval/Award Document* under ABG-75. This document is used to order and approve design and construction services from the German Government. Depending on the cost, this is sent to the German Government by the BCE, AFCEE and/or Corps of Engineers Europe District (EUD) to request or approve initiation, continuation, modification, addition, stop and cancelation of design, obligation, deobligation of funds and authority to advertise of a construction contract or project according to the Indirect procedure. With this ABG Form 3, funds are initially obligated to begin design. U.S. funds are placed in a UOO status. This document can also obligate all construction funds on an estimated basis only with approval of the USAFE Civil Engineer. *U.S. Forces generated form.*

A3.6. ABG Form 4 (Tender Acceptance Form)—This form is sent to the U.S. after the Bauamt has completed their bidding process and contains the Bauamt recommendation for award to a specific contractor, normally the low responsive bidder. Funds are formally obligated against the specific amount of this main contract. *Bauamt generated form.*

A3.7. ABG Form 5 (Change Order Document)—This form is used for change orders and when countersigned by the U.S. constitutes modifications to the main contract (ABG Form 4 amount) and generally requires additional funds to be added to existing contracts. *Bauamt generated form.*

A3.8. ABG Form 5A (U.S. Forces Change Request)—This form is submitted by the U.S. to the GCA. These are changes resulting from conditions differing from the original design (e.g. new federal regulation, code, criteria, mission changes or enhancement). Normally also requested from the user relating to ease of maintainability, operability or an enhancement of quality of life for customers. *U.S. Forces generated form.*

A3.9. ABG Form 6 (Order Document for Term Construction)—Order document used by BCE's, AFCEE and COE to instruct a firm to carry out construction work in accordance with this term contract. These contracts held by the GCA are similar to what USAFE considers SABER. Generally small dollar items and rarely used on U.S. Indirect projects. *U.S. Forces generated form.*

A3.10. ABG Form 7 (Joint Minutes - Turnover of Construction Work)—This is the turnover of construction work to the U.S. by the Bauamt. Form is used to formally document the minutes of the turnover and includes defects and deficiencies noted with corrective action at the time of turnover. *Bauamt generated form.*

A3.11. ABG Form 7B (Record of the joint final inspection of construction work executed by the U.S.-Forces using the Direct Procedure)—After completion of construction works executed by the U.S. Forces under the Direct procedure, BCE initiates a final inspection with representatives of the Bauamt, Bundesanstalt für Immobilienaufgaben (BImA) (Federal Institute for Real Estate Management) and the U.S. Forces. *Bauamt generated form.*

A3.12. ABG Form 8 (Construction Costs)—Contractors Invoice. Throughout project there are partial and eventually a final Invoices. This document is only attesting to the fact that all services were received and rendered. This is accompanied by an itemized line item invoice. *Bauamt generated form.*

A3.13. ABG Form 9 (Administrative Fee)—Bauamt invoice. Throughout project there are partial and eventually a final ABG 9. This is the final invoice used to pay compensation to the Bauamt for their services at 5.6% (New Construction) / 7.5% (Maintenance and Repair) plus any additional services incurred on project (e.g. A-E expenses such as site surveys, model renderings, doc reproductions, etc.). *Bauamt generated form.*

Attachment 4***PROS AND CONS OF USING INDIRECT AND DIRECT CONSTRUCTION*****A4.1. Indirect Procedure (Art 2. 1).****A4.1.1. Advantages:**

A4.1.1.1. Funds can be obligated rapidly (e.g., Estimated Basis Contract)

A4.1.1.2. Host Nation (HN) fees significantly lower than similar services contracted directly (Additional services exempt from HN fees)

A4.1.1.3. Smoother public coordination

A4.1.1.4. Bauamt generally has better knowledge of German technical norms, regulations and construction practices

A4.1.2. Disadvantages:

A4.1.2.1. Actual execution of design and construction is usually slower than the Direct procedure

A4.1.2.2. HN contracting practices are generally inflexible, time consuming; innovative techniques are not well developed; Design-Build is seldom an option

A4.1.2.3. Typically awards are made to low bidders

A4.1.2.4. Less control of costs and schedule than on direct contracts

A4.1.2.5. Frequent use of unit price contracts requiring intensive oversight and scrutiny of invoices

A4.1.2.6. Potential late or “after the fact” notification of changes impacting cost or time

A4.1.2.7. Contracts and regulations, as well as most meetings, are in German. Majority of U.S. employees are not fluent in German

A4.1.2.8. Performance guarantees are rarely accessed to remedy defective performance

A4.1.2.9. Liquidated damages are difficult to obtain and enforce

A4.1.2.10. Must have active U.S. oversight to ensure control of quality, cost and schedule

A4.2. Direct Procedure (Art 2.2).**A4.2.1. Advantages:**

A4.2.1.1. U.S. controls design, tender and construction processes

A4.2.1.2. Wider use of “risk to contractor” methods of contracting (e.g., design/build, lump sum)

A4.2.1.3. Best value procedures ensure award to quality contractors

A4.2.1.4. Use of faster and more innovative contracting techniques (e.g., SABER, Multiple Award task order contracting)

A4.2.1.5. Contract documentation and correspondence in English

A4.2.1.6. Contracts executed under U.S. Law are more favorable to the U.S. (e.g., remedies for latent defects, claims, etc.)

A4.2.1.7. Disputes settled in U.S. administrative boards and courts

A4.2.2. Disadvantages:

A4.2.2.1. Increased U.S. contracting and engineering staffing levels

A4.2.2.2. Typically higher costs for design and construction oversight

A4.2.2.3. More effort to obtain permits and/or make notification and process could take longer

Attachment 5***RECOMMENDED PROJECT MANAGEMENT (PMP) OUTLINE***

A5.1. Recommended Project Management Plan (PMP) Outline. The PMP is intended to be a comprehensive “living document” that is refined as the project progresses. The PMP outlines roles and responsibilities of the Project Delivery Team (PDT) and provides the framework for executing the project through the PDT. The Plan outlines the strategy for the project identifying specific delivery methods and milestones. The document should be developed in collaboration of the entire PDT. Typical PMP table of contents include the following major sections:

- A5.1.1. Project Scope.
- A5.1.2. Roles and Responsibilities.
- A5.1.3. Team Identification.
- A5.1.4. Critical Assumptions and Constraints.
- A5.1.5. Funding.
- A5.1.6. Schedule Milestones.
- A5.1.7. Quality Management Plan.
- A5.1.8. Real Estate Activities.
- A5.1.9. Acquisition Strategy (design, procurement and construction phases).
- A5.1.10. Value Engineering.
- A5.1.11. PMP Agreement and Signatures.
- A5.1.12. Risk Analysis.
- A5.1.13. Safety and Occupational Health Plan.
- A5.1.14. Change Management Plan.
- A5.1.15. Communications Strategy.
- A5.1.16. Closeout (Red Zone) Plan and Checklist.
- A5.1.17. Peer Team Self-Evaluation (after-action assessment).

Attachment 6***RECOMMENDED PROJECT MANAGEMENT FILE ORGANIZATION*****A6.1. Recommended Project File Organization**

A6.1.1. Use six-part folder (stock number 7530-00990-8884) or electronic files structured as follows: Label – with C number, project number, and project title.

A6.1.2. Cover sheets and dividers with tabs:

A6.1.2.1. Part 1. Section A – Officially Signed ABG Documents

A6.1.2.1.1. Design

A6.1.2.1.2. Construction

A6.1.2.2. Part 2. Section B – Submitted ABG documents with supporting documents

A6.1.2.2.1. Record of Payment AF Form 9

A6.1.2.2.2. Approval Documents AF Form 332

A6.1.2.2.3. DD Form 1391

A6.1.2.2.4. ABG Documents

A6.1.2.3. Part 3. Section C – Design

A6.1.2.3.1. NATO

A6.1.2.3.2. U.S.

A6.1.2.4. Part 4. Section D – Advertisement

A6.1.2.4.1. Bidders List

A6.1.2.4.2. ABG Form 4 Package

A6.1.2.5. Part 5. Section E – Construction

A6.1.2.5.1. Preconstruction

A6.1.2.5.2. Progress and Status Reports

A6.1.2.6. Part 6. Section F – Acceptance

A6.1.2.6.1. Pre-final

A6.1.2.6.2. Final Acceptance

Attachment 7

BREAKOUT OF BAUAMT NATIONAL ADMINISTRATIVE EXPENSES (NAE)

NEW CONSTRUCTION (Reference ABG-75 Article 1.4) Bauamt Fee = 5% <u>Translation = 0.6%</u> TOTAL FEE = 3.35% + 2.25% = 5.6%					
DESIGN					
<u>Phase</u>	<u>Reference</u>	<u>% of Design</u>	<u>% of Translation</u>	<u>% of Fee without Translation</u>	<u>% of Fee + Translation</u>
KVM-Bau / Pre-Concept Design (~15%)	Articles 7.1.2 & 24.1.1.1, ABG-75 and USAFEI32-1016 Para 7.3.	5%	10%	0.25%	0.31%
HU-Bau / Concept Design (~35%)	Articles 7.1.3 & 24.1.1.2, ABG-75 and USAFEI32-1016 Para 7.4.	15%	30%	0.75%	0.93%
AFU-Bau / Final Design (100%)	Articles 7.1.4 & 24.1.1.3, ABG-75 and USAFEI32-1016 Para 7.5.	20%	60%	1%	1.36%

Tender Action and Award Recommendation	Articles 7.1.5 & 24.1.1.4, ABG-75 and USAFEI32-1016 Para 7.11 – 7.12.	15%		0.75%	0.75%
TOTAL DESIGN		55%			3.35%
CONSTRUCTION					
<u>Phase</u>	<u>Reference</u>	<u>% of Construction</u>	<u>% of Translation</u>	<u>% of Fee</u>	<u>% of Fee + Translation</u>
Construction Award Action	Articles 7.1.6 & 24.1.1.5, ABG-75 and USAFEI32-1016 Para 7.13.	5%		0.25%	
Construction Execution	Articles 7.1.7 & 24.1.1.6, ABG-75 and USAFEI32-1016 Chap 8	40%		2%	
TOTAL CONSTRUCTION		45%		2.25%	
REPAIR AND MAINTENANCE (Reference ABG-75 Article 1.3) Bauamt Fee = 7% <u>Translation = 0.5%</u> TOTAL FEE = 4.35%+3.15% = 7.5%					
DESIGN					

<u>Phase</u>	<u>Reference</u>	<u>% of Design</u>	<u>% of Translation</u>	<u>% of Fee without Translation</u>	<u>% of Fee + Translation</u>
KVM-Bau / Pre-Concept Design (~15%)	Articles 7.1.2 & 24.1.1.1, ABG-75 and USAFEI32-1016 Para 7.3.	5%	10%	0.35%	0.40%
HU-Bau / Concept Design (~35%)	Articles 7.1.3 & 24.1.1.2, ABG-75 and USAFEI32-1016 Para 7.4.	15%	30%	1.05%	1.20%
AFU-Bau / Final Design (100%)	Articles 7.1.4 & 24.1.1.3, ABG-75 and USAFEI32-1016 Para 7.5.	20%	60%	1.40%	1.70%
Tender Action and Award Recommendation	Articles 7.1.5 & 24.1.1.4, ABG-75 and USAFEI32-1016 Para 7.11 – 7.12.	15%		1.05%	1.05%
TOTAL DESIGN		55%			4.35%
CONSTRUCTION					
<u>Phase</u>	<u>Reference</u>	<u>% of Construction</u>	<u>% of Translation</u>	<u>% of Fee</u>	<u>% of Fee + Translation</u>

Construction Award Action	Articles 7.1.6 & 24.1.1.5, ABG-75 and USAFEI32-1016 Para 7.13.	5%		0.35%	
Construction Execution	Articles 7.1.7 & 24.1.1.6, ABG-75 and USAFEI32-1016 Chap 8	40%		2.8%	
TOTAL CONSTRUCTION		45%		3.15%	